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SHREE CEMENT LTD.

An ISO 9001, 14001, 45001 & 50001 Certified Company

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

SCL/BWR/SE/2022-23/
4th July, 2022

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

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
MUMBAI – 400 023
SCRIP CODE 500387

Re:- Notice of the 43rd Annual General Meeting and Annual Report for the Financial Year 2021-22

Dear Sirs,

In terms of the provisions of Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Notice of the 43rd Annual General Meeting of the Company to be held on Thursday, 28th July, 2022 at "Rangmanch Auditorium", Bangur Nagar, Beawar - 305 901, District Ajmer (Rajasthan) at 12.15 p.m. (IST) along with the Annual Report of the Company for the financial year 2021-22.

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), the Company has fixed Thursday, 21st July, 2022 as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting and voting during the AGM.

Kindly find the same in order.

Thanking you,

Yours faithfully,
For **SHREE CEMENT LIMITED**

(S.S. KHANDELWAL)
COMPANY SECRETARY
Encl: As above

Shree Cement

THE BRIGHT SIDE OF GREY

SHREE CEMENT LIMITED

INTEGRATED ANNUAL REPORT 2021-22

ABOUT THE REPORT

Introduction

We, at Shree Cement Limited (SCL), started our journey of sustainability reporting back in FY 2004-05 as the first organisation in the Indian cement industry. Since then, our annual reports and sustainability reports have been one of our key mediums of communication with our stakeholders.

In FY 2021-22, we are proud to introduce our first Integrated Annual Report that is based on the Value Reporting Foundation's Integrated Reporting <IR> Framework. The Value Reporting Foundation is a global non-profit organisation comprising International Integrated Reporting Council (IIRC) and Sustainability Accounting Standards Board (SASB).

The report discloses our performance across six capitals viz. – Financial, Manufactured, Human, Natural, Intellectual, and Social and Relationship, thereby providing insights on our value creation efforts towards our stakeholders.

Reporting principle

The non-financial performance in our report have been disclosed in accordance with the GRI Standards: Core option. We have referred to GRI Standards 2018 for GRI 303: Water and Effluents and GRI 403: Occupational Health and Safety; while the GRI Standards 2020 are referred to for GRI 306: Waste. All other non-financial disclosures have been reported as per the GRI Standards 2016. Our report has also been aligned with the principles of the United Nations Global Compact (UNGC) as well as the United Nations Sustainable Development Goals (UN SDGs).

Sections of the Integrated Annual Report also comply with the requirements stated in the Companies Act, 2013 (including the rules made thereunder), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India. We encourage our stakeholders to read them in conjunction with the contents.

Reporting scope and boundary

The report consists of financial and non-financial reporting for our business operations across our four integrated plant locations and ten grinding unit locations in India. Additionally, our financial statements cover performance of our subsidiaries including UAE subsidiaries. The information provided in the report is of the period of 1st April, 2021 to 31st March, 2022.

Independent Assurance

The standalone and consolidated financial statements provided in the report are audited by M/s. Gupta & Dua, Chartered Accountants, statutory auditors of the Company. The non-financial data in this report have been reviewed internally through our internal control mechanisms.

Forward-looking statement

There are certain statements in this report that are forward looking statements based on assumptions and with respect to future growth. These statements may involve several risks and uncertainty as the method for predicting future data may be inaccurate. These statements include facts, data, business strategies and future objectives except for any data obtained through past analysis. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the statements.

Feedback

We publish our reports annually. All our previously published annual and sustainability reports are available on our website www.shreecement.com. We value your feedback, which will continue to enable us to disclose relevant information in the most effective and transparent manner. We would be happy to address any queries or suggestions that you may have with respect to our performance or this report. You may write to us at investor@shreecement.com.

CONTENTS

THE BRIGHT SIDE OF GREY

Grey is not a colour synonymous with positive symbolism, as most would say. But grey also neutralises absolutes. Like a grey attire that merges the pristineness of white with the overpowering black. Grey has the capacity to absorb and evolve. Just like the product we make. Cement.

Cement uses several mineral resources found in nature to make one of the strongest materials known to humanity. The softest of minerals like limestone and sand when forged with the strength of iron transform into a material that builds the world's tallest buildings and longest bridges. So grey is not quite grey. Grey is transformation. It is evolution.

At Shree Cement, we lean towards the brighter side of grey with our creativity, innovation and care. Our pioneering attempts at introducing sustainable production techniques for cement making, adopting circular principles of resource use and having one of the strongest lineups of green cement products are all industry trend-setters. Our care for the future stimulates our thirst for innovation.

We carry out our operations in socially responsible manner while ensuring protection and restoration of natural ecosystem. With our world class cement manufacturing technology, we have been able to achieve high standards of operational efficiency, thereby minimising impact on the environment. Our efforts towards conservation of natural ecosystem are aligned to the United Nations Sustainable Development Goals (UN SDGs).

We believe that growth comes from social inclusion. Being cognisant and sensitive of our impact on our community has aided us in maintaining our vision of spreading happiness to our people – our employees, vendors, supply chain members, customers, investors and our community.

With our environment friendly and technologically advanced manufacturing process and our commitment towards growing a socially inclusive community, we focus on the bright side while manufacturing cement.

With this debut Integrated Report of FY 2021-22, we present to our readers our approach of looking at the bright side of the grey.

SHREE CEMENT AT A GLANCE

Making the right choices for a brighter tomorrow

We, Shree Cement Limited, are proud to be recognised as one of the top three cement groups in India in terms of production capacity. Being committed to sustainable and inclusive growth, we have installed the largest waste heat recovery based power plants in the world cement industry, next only to China. Our cement manufacturing and grinding units span across 10 states of Bihar, Chhattisgarh, Haryana, Jharkhand, Karnataka, Maharashtra, Odisha, Rajasthan, Uttar Pradesh and Uttarakhand. We rank at 51st among the listed companies in India as on 31st March, 2022 in terms of market capitalisation. Also, we are part of Nifty50 of National Stock Exchange of India.

Growth over 10-year horizon

Parameter	FY 2011-12 (15 Months)	FY 2021-22	CAGR
Cement Production Capacity (MTPA)	13.5	46.4	13.14%
Power Generation Capacity (MW)	560	771	3.25%
Revenue from operations (₹ Crore)	5,800	14,306	11.92%
Operating Profit (EBIDTA) (₹ Crore)	1,809	4,185	11.21%
Profit After Tax (₹ Crore)	619	2,377	16.99%
Net Worth (₹ Crore) (as at the year-end)	2,734	17,271	20.24%
Market Capitalisation (₹ Crore) (as at the year-end)	10,590	86,711	23.40%

Shree Cement, as on 31st March, 2022

46.40 MTPA
Cement production capacity

771 MW
Total power generation capacity

263 MW
Green energy generation capacity (WHR, wind and solar)

4
Number of locations with integrated plants in India

10
Number of locations with standalone grinding units in India

1
Number of location with integrated plants outside India (in UAE)

Our Vision

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

As an organisation, we spread happiness amongst everyone connected with our ecosystem and create wealth for investors, employees, business associates and communities where we operate by experimenting and implementing new ideas for improving efficiencies and maximising the ratio of output product to input resources

The Shree Philosophy

At Shree, we believe in the teaching of Rigveda **आ नो भद्राः क्रतवो यन्तु विश्वतः** which means 'Let noble thoughts come to us from all over the World' and imbibe and extend all noble thoughts across all our functions. Our ethos make us an organisation that is:

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

Guiding Principles

- Enforce good corporate governance practices
- Encourage integrity of conduct
- Ensure clarity in communication
- Remain accountable to all stakeholders
- Encourage socially responsive behavior.

Our Values, Our strengths

Passion for efficiency

- Ensuring optimum outcomes in everything we do at work
- Achieve our targets consistently with minimal costs

Trust and Support

- Believing in each other with mutual respect
- Promoting honest and open communication
- Building an environment of freedom with responsibility

Creativity and Innovation

- Experimenting with new ideas to improve continuously
- Striving to take risk for adding value to the business

Simplify

- To extract the essence and keep communication simple

Dynamism

- Prioritising opportunities and challenges to enable swift decision making
- Being flexible in our approach to find effective business solutions

Care

- Being compassionate towards our communities and our environment
- Working together as one family; connect personally with each other
- Demonstrating humane touch in the way we work

SHREE CEMENT AT A GLANCE

Offering sustainable delight to customers

Our product portfolio is consciously diversified and dynamic to cater to different needs and requirements of our customers. We are constantly striving hard to create a positive impact on the planet by developing products that are sustainable. Our products are a result of rigorous Research & Development (R&D) process involving innovation and focus on quality. All our brands enjoy high recall from our customers. Our portfolio consists of varied type of cement with special focus on blended cement which contributes to circular economy.

Our diverse range of products

We provide four major types of cement for our customers based on their requirements:

- **Ordinary Portland Cement (OPC)**: OPC is a widely used form of cement, also known as Ordinary Portland Cement. OPC can be used in normal as well as pre-stressed construction.
- **Portland Pozzolana Cement (PPC)**: When the clinker and gypsum are ground/mixed with pozzolana or silicious materials such as fly ash, PPC is formed. PPC is more durable as compared to OPC due to formation of denser micro-structures. PPC is also known as cement of future because of its properties of sustaining hydraulic structures.
- **Portland Slag Cement (PSC):** In PSC, by-product from iron blast furnace is mixed in suitable proportion with ground clinker and gypsum. Slag cement is a form of hydraulic cement and is also resistant to high temperature. It is used in sea water construction projects due to its resistance to sulphate attack.
- **Composite Cement (CC)**: Composite cement is used in the production of high strength durable concrete. Composite cement is prepared by replacing a portion of Portland cement clinker with industrial by-products such as fly-ash and Granulated Blast furnace Slag (GBS).

Our valued products

Shree Jung Rodhak Cement
is an all-purpose cement that provides strength and durability to all the structures through its strong corrosion resistant properties and is the most preferred choice in the segment.

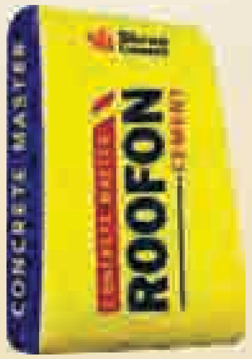
Available in: PPC

Bangur Cement
is used for diversified construction purpose and is developed using German technology. It is a superior quality product that meets the global standards.

Available in: OPC, PPC

Rockstrong Cement
An obvious choice for any type of construction with quick setting properties, durability and is an excellent value for money.

Available in: PPC

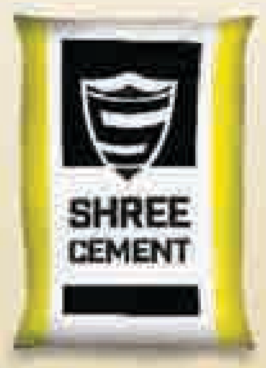


Concrete Master Roofon Cement
is one of the best concrete master that gives strong and long-lasting construction. It is suitable for all whether conditions and produces concrete that is crack resistant, thus making air-tight, water shield construction that is resistant to corrosion.

Available in: PPC, PSC, CC

Bangur Power Cement
is a premium quality product meeting all international standards. It provides extra fineness, smoothness, greater coverage area, higher strength and resistance to corrosion.

Available in: PPC, PSC, CC



Shree Cement
is launched as the first cement brand by the Company. High on strength, this is well established brand, time tested and offer superior quality and durability to its customers.

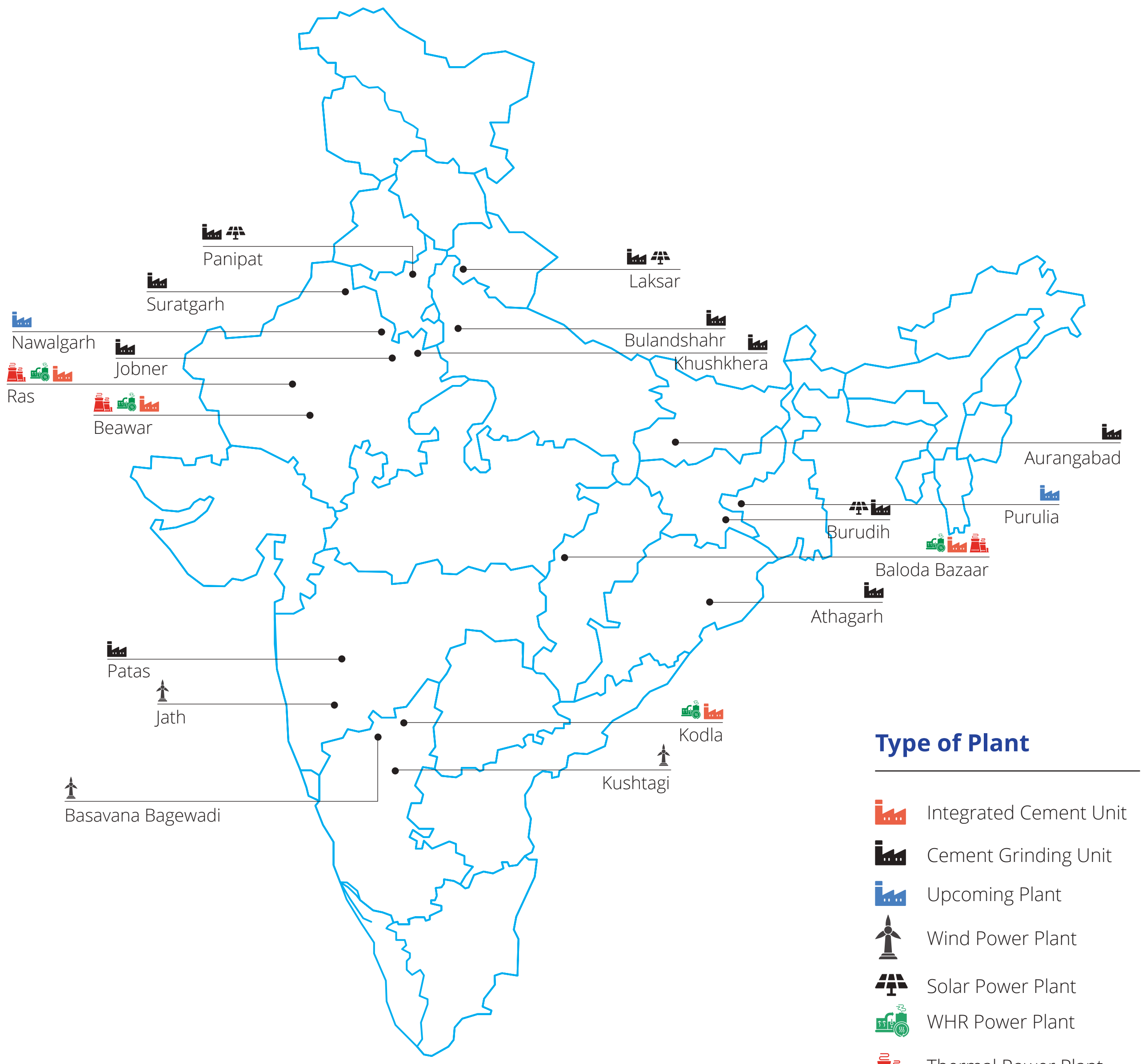
Available in: OPC, PPC, PSC

OUR OPERATIONAL REACH

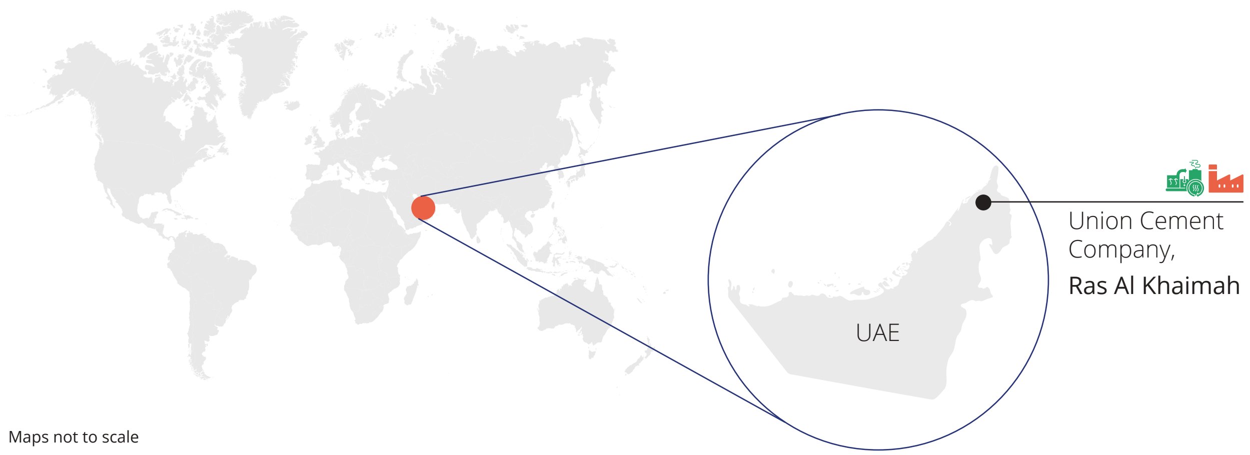
Expanding wings, growing sustainably

We have been growing consistently and faster than the industry over last two decades. This has led to expansion of our reach to our customers and other stakeholders and grow sustainably with them.

Footprint across India



Footprint in UAE



Maps not to scale

CHAIRMAN'S MESSAGE

A resolve to change things for the better

Dear Shareholder,

Last few years have been challenging for everyone. The impacts of the pandemic are there for all of us to see and likely to remain so for the foreseeable future. Also, the impacts of climate change, rapid resource depletion, economic inequality and human rights are increasingly undeniable. The dreadful impacts should act as a stark reminder to us all of the fragility of human life and the planet.

At Shree Cement, we have always focused on the positives and the possibilities even during the most challenging of times. Life is about duality, and the brighter side of grey is as real as the darker side. Our substantial work in the area of sustainability proves our determination to transform circumstances in our favour.

Among other priorities, climate change requires effective response through accelerated transition to a low carbon economy. Also, balancing the demands of meeting today's operating environment, while investing for the future remains the need of the hour.

We have taken several steps in response to the very visible impacts of climate change. As a member of GCCA, we are working diligently towards meeting the goal of net-zero by 2050. We aim to reduce our emissions as per levels validated under Science Based Target initiative (SBTi). We also remain committed to make our operations more sustainable, inclusive and evolving. Our continued work towards

Although, we are making good progress in meeting our sustainability goals, we continue to strengthen our focus on areas where we want to aim higher.

increasing our share of green power, enhancing ratio of low carbon cement, growing usage of alternative raw materials and fuels, making deeper engagement with suppliers and customers, creating a great place to work by 'people friendly' policies and contributing actively towards development of our local community are steps towards making our operations climate friendly and inclusive.

Although, we are making good progress in meeting our sustainability goals, we continue to strengthen our focus on areas where we want to aim higher. We shall continue our unwavering commitment to make and do things that lead to a better world.

B. G. Bangur
Chairman

MANAGING DIRECTOR'S MESSAGE

Sustainability enabling innovation

Dear Shareholder,

In the twenty first century, technology has been popularly viewed as the civilisational disruptor. Technology has run on an incremental loop, with advances made fueling the next generation of development. Reason why technology has been widely viewed as an enabler – moving society and businesses to the next level of optimisation and advancement with every wave of technological change.

I am, however, of the view that sustainability is an even greater enabler of innovation than technology. Sustainability links society and all its parts with the eternal cycle of life – of creation, degeneration and renewal. Dramatic changes in the natural world, as visible through climate change, call for review in our approach to innovation. It is necessary that new business models internalise the concept of finiteness. This has triggered a new kind of innovation – where Man is now exploring alternatives like biofuels, carbon and hydrogen transformation technologies. The quest for building more equitable, inclusive and sustainable societies has been another shaping force. Today's businesses are expected to harmonise their existence with a society that needs to be sustainable at various levels – for its people and for the planet.

For Shree Cement, sustainability has always been a primary lever for innovation. As an organisation, we have always optimised on the premise that resources are limited. We have focused on innovations that can optimise processes. We have designed operational methods that dynamically calibrate performance to achieve the highest productivity. We have always remained involved with our employees, communities and stakeholders to ensure that their interests remain aligned with ours and we can work together in mutual harmony.

At Shree Cement, we approach each challenge with zeal and dedication – for successful innovation requires an incessant ability to refresh and refocus. Our aim is to keep setting new objectives for ourselves as the world's sustainability requirements evolve.

The underlying driving force for our industry-leading performance is careful integration of sustainability as an integral part into our business. The care for our planet and concerns of our stakeholders motivate us to identify novel models and ways to bring about meaningful difference to our working. Our incessant quest to reduce carbon footprint from our operations and transforming our products from grey to green remained hallmark of our sustainability efforts in FY 2021-22. I would like to highlight some of the notable achievements of FY 2021-22 driven by the sustainability lever as under:

- Our usage of alternative raw materials has grown from 26.01% to 27.23% during FY 22. Our consumption of alternate fuels has gone up from 6.03% to 9.84% in FY 2021-22. This is a result of our firm belief the resources that we use today should also serve the needs of our future generations.
- Our share of green power in total consumption at 48.2% is amongst the best in the industry. The quest for continually increasing this share is mainly driven by our conviction that Earth's fossil fuels are finite and soon they may pose supply constraints.
- Similarly, our water positivity ratio has also grown to over 5 times our consumption. This is significant as majority of our operations are located in water stress zones.
- Our all-round improvement measures and unique initiatives towards greening of our operations have enabled us to bring down our Specific Net Scope 1 CO_2 emission to 529 Kg/ tonne of cement equivalent from 543 Kg/tonne in FY 2018-19. We aim to make meaningful cut to our emission level by targeting 12.7% reduction in our Scope 1 and 27.1% in Scope 2 emissions vis-a-vis FY 2018-19 by 2030. In order to give credence to this commitment, we have got our targets validated by Science Based Targets Initiatives (SBTi), a partnership between CDP, UN Global Compact, WRI and WWF.
- Our focus on digitalisation enhances efficiency of our processes. We have taken steps to further strengthen our digitalisation efforts that would help bring ease of operation for our channel partners as well as streamline our logistic and marketing operations. We have also initiated steps to upgrade our ERP system to make it more robust and help faster decision making.
- Our continually rising CSR spend on carefully crafted CSR programmes that take into account the needs of our communities have helped us win their hearts and made them a part of Shree family.
- Our governance model of "walking the talk" is driven by the element of trust that our shareholders have posed in us. We have completed most of our projects in scheduled time and costs.

During the year, we have reinforced our vision and commitment towards sustainability. Appointment of a high-rank senior official as Chief Sustainability Officer is testimony to our commitment towards enhanced focus on sustainability. Also, we have undertaken comprehensive review of our ESG practices with a view to further improve them with greater focus. We have strengthened our ESG policies to demonstrate our commitment towards the cause of sustainability. Areas where possibility of improvement or strengthening is possible have been identified and required actions are underway.

We believe in building capabilities and innovating solutions to manage menace of carbonisation. Towards this objective, we have initiated a dialogue with World Bank to work as knowledge partner on projects related to sustainability and climate change. Through our membership with Global Cement and Concrete Association (GCCA), we have participated through project INNOVANDI to accelerate development of enabling technologies for Carbon Capture, Usage and Utilisation.

Maintaining a sustainable world is a challenging task. The needs are in a constant state of flux, and so are the routes to equilibrium. At Shree Cement, we approach each challenge with zeal and dedication – for successful innovation requires an incessant ability to refresh and refocus. Our aim is to keep setting new objectives for ourselves as the world's sustainability requirements evolve.

The brighter side of grey, colours and inspires our perspective. We have never let a closed door defeat us, regarding barriers as opportunities to be circumvented. We have always challenged ourselves to derive innovative ways of doing established things, and that constant transformation for incremental and exceptional improvement will continue. Our first Integrated Annual Report for FY 2021-22, is a step forward towards showing our customers, our stakeholders and our industry peers all the work that we have already done in the area of sustainability, and how we envision achieving better growth and profitability given the changing global and industry scenario.

H.M. Bangur
Managing Director

JOINT MANAGING DIRECTOR'S MESSAGE

Change is the only constant to keep moving forward

Dear Shareholder,

We are operating in a constantly and rapidly changing world. Change presents unprecedented challenges for businesses. Successful businesses have always embraced change to remain competitive and grow. There is a requirement for organisations to become more flexible and responsive, constantly integrate new technologies and operate in risky, costly and more complex environments. This in turn creates opportunities.

Climate change, sustainable growth and economic inclusion are the defining challenges of our time and require wide and deep changes across operations and decision-making process. These require the businesses to constantly search for answers as to why they are in business, who they are as a company, what their impacts on the world are, how they align their business model with the needs of society and how they engage with their people and with other stakeholders.

Change is thus inevitable; be it because of external events, internal processes, ESG aspects or otherwise. Important for organisations is to be change ready. We, at Shree Cement, however see these challenges as an opportunity of creating strategic agility into our operating model and that of transforming the performance of the organisation. We have internalised change as a way of life. People at Shree keep moving their goal post and set new performance benchmarks for themselves as a daily routine. On their way towards achieving newer benchmarks, sometimes they fail. We however encourage this as it brings new learnings and sets the tone for making the next attempt for improvement. Our mantra is that "If you don't step forward, you are always in the same place." Shree Cement's success is based on its ability to consistently adapt to new waves of change in the business environment.

Our operational approach underline large leaps as well as small steady steps to manifest growth in tandem with future outlook that's promising and achievable. Our objective is to ensure sustained value creation for all our stakeholders, including employees, vendors and suppliers, customers, investors, as well as the Mother Earth. But central to this pursuit remains one of our most important stakeholders – our future generations. The reason of our existence is to build a legacy of economic prosperity founded on the rock of conserving and protecting the planet for generations to come. The success story of Shree is therefore crafted on a rich legacy of sustainable growth.

Change is thus inevitable; be it because of external events, internal processes, ESG aspects or otherwise. Important for organisations is to be change ready. We, at Shree Cement, however see these challenges as an opportunity of creating strategic agility into our operating model and that of transforming the performance of the organisation. We have internalised change as a way of life.

We use novel technologies and innovative solutions for continual betterment in our sustainability scorecard. Some unique practices reflecting on our sustainable growth journey are as under:

Scaling-up rapidly, creating value.

In the past two decades, our production capacity has grown at a faster rate than the industry. Our rapid progress has been marked by aggressive capacity expansion in record time and at lower costs than the industry. We've also been effective in achieving speedier stabilisation of our new plants, resulting in more consistent production and a higher return on investment. This has resulted in continuous growth in output and corresponding increase in revenues, resulting in significant value addition to shareholder wealth. A strong liquidity position and a deleveraged balance sheet give us the confidence to keep exploring newer opportunities.

Unmatched processes, uncompromised planet.

Our singular process of questioning existing ways of doing things has created a sustained and continual improvement in our productivity and efficiency levels. This reinforces our commitment to finding sustainable ways of manufacturing cement. In some cases, our productivity levels are even higher than those designed by the OEMs. It helps us save additional resources in terms of people, machines and materials and contributes towards the greening of our planet and making extra returns on our financial capital. Our initiatives like using alternative raw materials and fuels, harnessing maximum potential of WHR generation and increasing renewable energy capacity of solar and wind are enriching these efforts and bringing out constant betterment in our environment footprint.

Motivated people, bolstered productivity.

Our talent management philosophy is built around the idea that 'the more the Company does for them, the more they will do for the Company'. We continue to invest in upskilling our teams and providing them the opportunities to grow personally and professionally. The training and development programmes designed for our employees are in line with our core philosophy, 'Care for People'. Our unique 'Shree Family' culture fosters a culture of belongingness amongst the employees and their families with the Company. Our recognition as a Great Place to Work© in India and as one of 'India's Best Workplaces' in the manufacturing sector is a testimony to our commitment to foster a diverse and inclusive culture with sustainable workplaces. With our vision to create a zero-harm environment, we promote a safe work culture for our employees.

Empowered today, enriched tomorrow.

Our commitment to community welfare dates to our inception. We emphasise on creating value for the society by protecting and supporting our communities. We closely interact with our nearby communities and design multiple programmes to improve the standards of education, provision of healthcare, vocational education, infrastructure, etc. to raise their overall status in the society.

We are aware that our actions of today will determine the course of our future. It is why we stand committed to building a better future by leveraging and building on our foundations of sustainable growth – steadily, earnestly and resolutely.

Our next phase of stakeholder value creation will come from our vision to expand our capacities while continuing our journey of reducing our carbon footprint. We are envisioning an increase in installed capacity to 80MTPA by 2030 exploring new geographies through both the organic and inorganic routes. We aim to reduce our GHG emissions in line with the targets validated by Science Based Targets initiative (SBTi).

Our mantra is to keep trying new things as we believe that with one failure, comes many successes. At Shree Cement, our continuous pursuit towards excellence gives us the optimism of creating a bright future for our stakeholders.

Prashant Bangur
Joint Managing Director

INTRODUCING OUR CAPITALS

The legacy that we build, each day, every year

At Shree Cement, we are propelled by our commitment to achieve excellence in everything we do by seeking to improve every day. This has inter-alia resulted in consistent financial performance, continuous reduction in our carbon footprint and value creation for our stakeholders.

Intellectual Capital

Signifies our innovative thinking and R&D capabilities. It includes knowledge based intangible assets and systems, procedures, protocols, knowledge to develop our products.

Manufactured Capital

Comprises of processes, technologies including machinery, equipment and supporting infrastructure that we use at our mines, cement plants, power plants and grinding units. We strive to boost operational excellence, considering health and safety of the workforce.

Natural Capital

Represents all the natural resources that we utilise to produce our goods. It includes air, water, land and fuel & minerals. We strive to make rational use of the natural resources to minimise impact on the environment.

To measure the impact of our value creation, we are embarking on our journey of Integrated Reporting whereby we present to our stakeholders our performance on wide range of aspects and describe how the same has resulted in creation of value for them.

Human Capital

Includes our people with diverse skill sets and expertise, their motivation to innovate, their alignment to organisation's vision and objective and competence to execute the business strategy. Through training and development programmes, we upskill our workforce and enhance their productivity and overall happiness.

Financial Capital

Represents financial resources that we use to manufacture and develop our products. This capital is the backbone for sustaining value across all capitals.

Social and Relationship Capital

Includes our relationship with a diverse group of stakeholders including investors and shareholders, suppliers, trade associations, local communities, dealers, customers, and employees to enhance individual and collective well-being, which is based on the principles of transparency and equity.

BUSINESS MODEL

Creating value for stakeholders

The business model is our foundation for leading and creating value for all our stakeholders through innovation and sustainable practices. With our business model, we endeavor to maintain our leadership position through continuously improving on scale, cost efficiency and innovation. Our business model leverages all the six capitals and focuses on creating sustainable business.

INPUTS

Intellectual Capital

Investments in Innovation: ₹ **24.85 Crore**

Innovation in production and business operation

Manufactured Capital

Integrated cement plant locations: **4**

Standalone grinding unit locations: **10**

Cement production capacity: **46.40 MTPA**

Presence in number of states: **10**

Total power generation capacity: **771 MW**

Natural Capital

Raw Material consumption:

Conventional: **27.08 MMT**

Alternative: **10.14 MMT**

Energy consumption: **71,009,765 GJ**

Water consumption: **2.28 million m³**

Green energy capacity: **263 MW**

Human Capital

Employee strength/ Strong workforce: **19,464**

Investment on training and Skill development: ₹ **0.63 Crore**

Robust health and safety management system

Financial Capital

Shareholder's equity: ₹ **17,271 Crore**

Net debt: **Zero, i.e. cash positive**

Social and Relationship Capital

Investment in community development initiatives: **₹57.54 Crore**

Dealer base: **30,672**

Depot strength: **1,156**

Collaborations and partnerships

VALUE CREATION

The Shree Philosophy

आ नो भद्राः क्रतवो यन्तु विश्वतः

Let noble thoughts come to us from all over the World ~ **Rigveda**

Our Vision

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

Guiding Principles

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

Our Values

Care

Dynamism

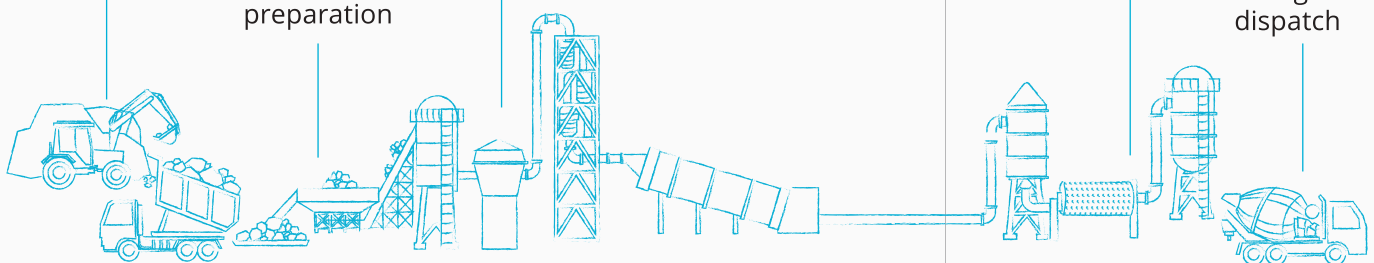
Simplify

Creativity & Innovation

Trust and support

Passion for efficiency

Manufacturing Process



Stakeholders

Investors and shareholders

Trade associations

Employees

Government and Regulatory Authorities

Local communities

Customers

Suppliers

Media

Strategic Objectives

Cost optimisation

Market consolidation

Sustainable growth

OUTPUTS

27.69 MMT
Cement

6.89 MMT
OPC

20.13 MMT
PPC

0.28 MMT
PSC

0.39 MMT
CC

19,108 LAC KWH
Net power generation

Emissions

11,287 MT
NOx

1,088 MT
SOx

909 MT
PM

Waste

173.68 MT
Total hazardous waste generated

OUTCOMES

Intellectual Capital

Improved productivity: **2 new R&D centers**

Patents granted: **4**

Manufactured Capital

Capacity Utilisation (%): **63.7**

Indirect Economic Impacts (employment generation, environmental conservation)

Natural Capital

Enhanced alternative raw material and alternative fuel consumption

Thermal substitution rate: **2.41%**

Reduction in specific water Consumption: **2.38%**

Biodiversity management

Reduction in emissions (Scope 1 CO_2 and stack emissions)

Human Capital

Ingrown leadership team

Employment generation: **817 new hires**

Voluntary employee turnover rate: **7.48%**

'Great Place to Work Survey' Score: **89**

Total hours of training and skill development: **1,35,244 hours**

Financial Capital

Revenue from operations: ₹ **14,306 Crore**

EBIDTA: ₹ **4,185 Crore**

PAT: ₹ **2,377 Crore**

ROCE: **17.2%**

Market capitalisation: ₹ **86,711 Crore**

Social and Relationship Capital

Lives touched: **6.27 Lac**

Suppliers assessed on ESG criteria

Sustainable procurement

Customer satisfaction score: **85%**

SDGs

STRATEGIC OBJECTIVES

With a view to the future

At Shree Cement, we follow an integrated approach while formulating and implementing our strategic objectives which is guided by our Vision and Values. We consider internal and external business environment as well as potential risks that can impact our business operations while formulating the strategy. Our strategy to achieve these objectives helps to create long-term sustainable value for all our internal and external stakeholders.

We have identified three Strategic Business Objectives (SBOs) which lay a strong foundation to our value-creation model. These three SBOs are i) optimising cost through continually re-imagining business processes; ii) market consolidation and gaining market share; and iii) sustainable growth while minimising environment footprint. These objectives are continuously monitored, reviewed, and revised as per the dynamic business environment which helps us stay ahead of the curve.

Our key initiatives on each of above focus areas and achievements during FY 2021-22 are as under –

Strategic Objective

Cost Optimisation

We are one of the lowest cost cement producers in the Indian cement industry. For us, cost optimisation is a continuous process rather than a target. We work on achieving optimisation through digitalisation, continuous process improvement, increasing efficiency, automation, data analytics, supply chain optimisation, etc. and this process is followed and repeated on continuous basis.

Capitals impacted

Focus area

- Maintain cost leadership and competitive edge over peers
- Achieve and improve profitability levels consistently

Achievement during FY 2021-22

- Increased usage of industrial waste as alternate fuel helped in containing fuel cost
- Higher proportion of renewable energy to optimise power costs

Market Consolidation

To achieve market consolidation, we make efforts on increasing our market share in areas where we have presence. We are also continuously looking out for venturing into new markets by setting up facilities at strategic locations. Our multi-brand strategy ensures that we meet aspirations of varied category of customer segments. Our focus is on customer-servicing and on-time delivery of our products to them.

Capitals impacted

Focus area

- Ensuring adequate and timely availability of our products to our customers
- Expanding our market reach by expansion of distribution network in our operational area
- Continue to enhance our existing brands and introduce new brands as per changing customer needs
- Add new capacity to grab newer markets and strengthen existing ones

Achievement during FY 2021-22

- Dealer network increased to 30,672 as compared to 25,860 last year.
- Rise in sale of premium products by 6% in FY 2021-22
- Added new cement grinding unit in Pune district of Maharashtra
- Added one kiln at brownfield location in Chhattisgarh to augment clinker supplies for our eastern markets

Sustainable Growth

Our strategies are focused on long term goal of sustainable value creation for our stakeholders. We deploy environment friendly technologies and focus on conservation of natural resources. We continuously communicate with our stakeholders to understand their expectations and increase our engagement with them. We have been following highest level of corporate governance standards, have consistently delivered financial performance and continue to reward our stakeholders thereby optimising a circle of sustainable growth.

Capitals impacted

Focus area

- Chase sustainable growth with strong practices in waste, water, energy, emission management and use of alternate fuel and raw materials
- Judicious use and management of mines and raw materials

Achievement during FY 2021-22

- Planned a capex of approx. ₹ 500 Crore towards setting up of solar power plants which will further enhance the proportion of clean energy usage in total power consumption
- Increased usage of alternate fuel from 6.03% last year to 9.84% in FY 2021-22 to conserve natural resources
- Increased use of alternative raw materials from 26.01% to 27.23% in FY 2021-22
- Avoided approx. 6.04 million tonnes of CO_2 by producing blended cement in FY 2021-22

RISKS AND THE MITIGATION STRATEGIES

Knowing our risks, fortifying our defenses

Organisations are operating in a rapidly changing environment and must identify risks and measure impact of such rapid changes on their business operations. These risks may be all pervasive and could emerge from various sources like market, geo-political, natural, operational, legal, etc. If not properly identified, assessed, and planned beforehand, such risks may have a significant impact on our operations.

Given its importance, regulators across the globe have mandated for implementation of formal Risk Management Framework for corporate entities. At Shree Cement, however, risk management is not just a regulatory requirement fulfilled by the top management, but it is a continuous process which is embedded in all our Company's operations covering the Enterprise, Functions, and our manufacturing plants.

We identify risks inherent in the business operations of the Company considering our goals, external environment, and expectation of our stakeholders among others. This helps us in developing mitigation plans as a response to risks that pose a threat to our long-term goal of creating value for all our stakeholders. A proactive risk management approach also provides opportunities for improvement and development of new solutions that can give us a competitive advantage among our competitors.

To identify and mitigate risks, we have laid down an ERM policy and Enterprise Risk Management framework which provides guidelines to define, measure, control, mitigate and report the identified risks at the enterprise level which impact the achievement of strategic /enterprise level objectives. It helps to identify potential risk areas in various economic, environmental, social, sectoral, sustainability related, and industrial environments in which we operate. The framework prescribes guidelines for contextualisation of risks by linking them with our business objectives and risk identification, assessment, mitigation, and governance thereof.

Enterprise Risk Management structure

We have multi-level governance structure to monitor, and report risks and relevant mitigation strategies. The structure is led by the Risk Management Committee of the Board of Directors which reviews risk policy and the mitigation measures at specified intervals. The senior executives of the Company and relevant teams, as part of the above structure, identify the risks, evaluate, and take necessary mitigating measures for the Enterprise level risks in line with the ERM policy and Framework.

Risk management process

Risk identification

Risk identification is the process of identifying major risks. It is done in number of ways such as by tracking list of leading events or key risk indicators, brainstorming, discussions with peers and internal analysis, comparison with other organisations, process flow analysis, etc.

Assess risk severity and risk prioritisation

Once risks have been identified, they are evaluated to determine which are of an unacceptable nature and which should be targeted for mitigation. The risks are calculated based on their Impact and Likelihood. The most important risks are identified by using a combination of Risk Impact from Low to Critical, and Risk Likelihood ranging from Remote to Likely,

Define mitigation plan

Mitigation consists of risk responses and control objectives. Senior Executives are responsible for their respective area of oversight and to ensure that appropriate risk responses are in place.

RISKS AND THE MITIGATION STRATEGIES

The top risks identified by us and their mitigation strategies are as follows:

Risk	Risk description	Mitigation strategy
Excess capacity in the industry ▲	Prolonged periods of excess capacity in the industry leads to under-utilisation of plant capacities and output prices falling to unlucrative levels, leading to lower profits.	• Our continued thrust on building a brand equity through high quality products being readily available in the market has helped us consolidate our market share. • To maintain and grow market share, we have been continuously adding capacities in the market where the demand-supply situation is favourable and there is no/ low cannibalisation with existing plant.
Availability of limestone ▲	Limestone is the basic raw material for cement manufacturing and its consistent availability at optimum cost is essential for existing and future plant requirements. With depleting reserves at existing mines and acquisition of new limestone mines getting uncertain due to regulatory and competition issues, availability of limestone may be a risk for continued production.	• We have been making all efforts to optimise the usage of limestone, thereby, conserving the deposits and enhancing their life. These include use of additives in clinker production without compromising the quality, enhanced production of blended cement, deployment of latest mining techniques to reduce overburden and wastage, etc. • We have been regularly participating in the auctions for the new limestone deposit and have secured such deposits in some of the auctions.
Availability of water ■	Majority of the plants are located in Northern region water deficient areas with continuously depleting water tables and as such, conserving water becomes very important.	• In power generation, we have installed Air Cooled Condensers (ACC) in all our thermal power plants which though involve additional capital expenditure, have helped us reduce water consumption significantly. • Additionally, we have installed Waste Heat Recovery Systems (WHRS) in all our clinker units thereby, eliminating the need for cooling of waste hot gases and thus, saving water. Water harvesting reservoirs have also been constructed within plant and mines area.
Input cost inflation ■	Cement manufacturing is an energy intensive process and we have witnessed a sharp rise in prices of coal, pet coke, power, etc. due to the surge in demand and geo-political situations. This can severely impact the cost of production and dent profitability.	• All our plants have multi fuel kilns and can switch to the most economical fuel in a short period of time. We also participate in auction for securing coal linkage as and when organised by relevant authorities. We use agro-waste as well as wastes of various industries such as Pharma, Chemical, Sponge Iron as alternate fuel, thus keeping the Fuel cost under check. We took advance strides to raise our waste heat recovery plants to reduce our dependence on thermal power requiring use of coal. As a result, we have WHR capacity which is highest in the cement industry globally after China. • We have been continuously investing in expanding our green energy portfolio (WHR, wind, solar) for meeting our electrical energy requirements. During FY 2021-22, we met 48.2% of electrical energy requirement from green energy sources which in turn reduced the requirement of thermal power.
Cyber Security ●	Digital transformation in majority of our business activities like logistics, marketing, and manufacturing have improved operational efficiency. However, inadequate controls to protect the system against cyber-attacks, unauthorised access, data loss, etc. can lead to disruption of operations.	We have been taking necessary measures like systematic back-up procedures, updating with latest security and firewall systems, employee trainings on preventing data leakages, and better monitoring & control mechanism to mitigate any risks arising due to digitisation.

Risk Category

▲ Sectoral Risk ■ Operational Risk ● Information and technological Risk

EMERGING RISKS

In addition to the enterprise risks listed above, we have also identified some emerging risks that are likely to have a long-term impact on our business. In some cases, they may have already begun impacting the business today. We have already planned strategies to mitigate the emerging risk.

Risk	Risk Description	Mitigation Strategy
Climate change ★	Global warming and consequent impact in the form of erratic and frequent climate change has emerged as a major risk across globe. This may impact our operations also as cement manufacturing is an energy and resource intensive process and releases CO_2 due to calcination process and combustion of fuels. Efforts to address climate change by reducing emissions of Greenhouse Gases (GHG) through National, State, and regional laws and regulations as well as international agreements will bring about various regulatory requirements impacting the way we carry out our operations. New legislative or regulatory controls may pose risks which could include costs to purchase allowances or credits to meet GHG emission caps, costs required to procure advanced equipment to reduce emissions to comply with GHG limits or required technological standards or higher production costs. In addition, physical risks arising from extreme weather or high temperatures may impact any manufacturing sector in terms of property damage and disruption to operations.	While combating climate change requires collaborative and coordinated efforts from all, we have been continuously making efforts in this field. Efforts towards conservation of natural resources, enlarging renewable energy portfolio at various plant locations, use of efficient and state-of-art technologies in operations, etc. are testimony to the same. We have integrated sustainability as core to our operations and are thus prepared to meet new regulatory and legislative requirements resulting from climate change risks.
Health and safety of employees ■	Unsafe and unhygienic workplace conditions may lead to legal actions, workers unrest, production disruption, and may cause injury /fatality to employees/workers.	We continue to work on institutionalising operational discipline particularly observing the safety procedures and protocols, both for employees and workers. Safety Committees have been formed to oversee safety related issues and implementing best safety practices. Wellness Management Centres have been established at plant level to meet any medical emergency requirement and oversee health related issues of the employees.
Impact of regulatory changes ★	India's regulatory framework is constantly evolving, and regulations in the field of environment, taxation, competition, governance, etc. can change over time. Non-compliance of applicable regulations may lead to imposition of penalties, suspension of operations, among others apart from reputational damage. This may also hinder the pace of innovation, upgradation, transformation within the organisation.	We keep a track of the regulatory environment and take necessary actions wherever required. We regularly incur capex to upgrade operational practices so that we are in-line with the applicable regulations. We are using a statutory compliance tool to track the location-wise legal and regulatory compliance.

Risk Category

★ Sustainability Risk ■ Operational Risk

STAKEHOLDER ENGAGEMENT

Communicating for a strong sense of community

At SCL, we value the relationship with our stakeholders the most. By engaging with our stakeholders at regular intervals, we get an insight about the key concerns and issues raised by them and try to address accordingly.

To engage with our stakeholders, we carry out the below mentioned steps to ensure effective communication:

Stakeholder identification

Relevant internal and external stakeholders are identified who have the potential to create an impact on the development of our organisation or vice-versa.

↓

Stakeholder prioritisation

Stakeholders that are most relevant or who have the potential to create the largest impact are prioritised.

↓

Determining mode of engagement

Modes of engagement such as surveys, reports, meetups are determined for each stakeholder as per suitability and convenience.

↓

Engaging with stakeholders

Discussions are carried out with each stakeholder as per the determined mode of engagement to strengthen the existing relationship that we have with our stakeholders.

↓

Identification of key concerns

After extensive discussions with stakeholders, their needs, expectations and primary concerns are identified. It is ensured that transparency is maintained while collating the responses.

↓

Developing action plans

Once the stakeholder expectations are identified, an action plan is prepared to address these needs.

Stakeholder	Relevance	Key Concerns / Priorities	Mode of Engagement	Our Response
Customers	• Customer satisfaction remains our motto for product development and enhancement • Customer feedback helps in product quality enhancement, process improvement and cost optimisation.	• Product cost and quality • Timely delivery • Post-delivery concerns • Responsible and sustainable production	• Online communication • Meetups with customer representatives • Customer satisfaction survey	• Customer satisfaction score of 85% • Enhanced customer experience
Employees	• Employees are our most valuable asset • All round development of employees helps in obtaining better output for the business	• Career and personal development • Training and development opportunities • Smooth and effective grievance mechanism • Appraisal and compensation	• Employees feedback survey • Employee grievance mechanism • Regular trainings and workshops	• Average training hours per employee stood at 20.98 for the reporting year • ₹ 91.4 Crore spent on employee benefits (including PF, Superannuation Fund, NPS, Gratuity Fund and ESIC) • Robust employee engagement • Well defined trainings and skill development programmes for all round development of our workforce
Investors and Shareholders	• Participates in our growth by providing capital for business development. • Provide with business oriented inputs for achieving goals and targets	• Improved product value • Robust corporate governance • Consistent returns • Enhancing revenue and market value	• Annual shareholders' meetup • Management of investor relations • Annual and quarterly reports • Corporate filings with stock exchange	• 13% increase in revenue within the reporting year • 3% increase in Profit After Tax within the reporting year
Suppliers	• Procurement of quality supplies, raw material and services • Supplier relationship helps in timely and efficient production cycle	• Ethical business practices • Payment negotiations and timely payments. • Continued business relationship • Prevention of violations of human rights in the supply chain	• Supplier assessment • Meetings with Suppliers	• Assessment of new suppliers on environment and social parameters
Government and Regulatory Authority	• Obtaining necessary licenses and permits for uninterrupted business operations • Maintaining legal compliances	• Compliance with regulatory requirements • Managing the impacts of social and environmental issues.	• Meetings with government officials • Regular filings with government	• Adherence to prescribed regulatory compliance
Media	• Helps in taking the agendas of climate change and sustainability to wider range of people	• Transparency and relevancy of information • Disclosure of confidential information • Preventing the spread of inappropriate information • Last mile reach of media	• Meetings with media representatives	• Increased awareness of the product • Increased sales value
Local Communities	• Local communities are our partners in development • They provide us with social license to operate	• Maintaining environmental quality • Local employment generation • Local community development	• Meetings with local communities during CSR activities • Meeting with local community representatives for dialogue	• ₹ 57.54 Crore spent on community development initiatives • 6.27 Lac beneficiaries from community development initiatives
Trade Associations	• Help in strengthening employee relationship • Lays benchmark for ethical business practice	• Implementing and managing any changes. • Support for managing industry events.	• Meeting with representatives of trade associations	We witnessed no strikes or lock-outs for the reporting period and maintained cordial relations with all our union members.

Frequency of Engagement

● Continuous ■ Quarterly ■ At regular intervals ⬢ As and when required

MATERIALITY ASSESSMENT

What matters the most

Materiality assessment is the process of identifying topics across the environmental, social and governance parameters that have the greatest impact on the organisation. Material topics are identified through a wide array of procedures including communication with internal as well as external stakeholders, study of sustainability standards and assessment of industry specific material topics. The identified topics are then classified as high priority topics and low priority topics depending upon the impacts that they have on each of our internal and external stakeholders.

For FY 2021-22, SCL has identified and collated industry specific material topics along with topics provided in sustainability standards such as GRI, SASB, SDGs, and the topics that are material to the peers. These identified material topics have been shortlisted through internal discussions depending upon the impact they have on each stakeholder.

The material topics identified are:

Environment

Topic	GRI Alignment	Performance Highlight	Related Capitals	SDG Alignment
Waste management	GRI 306: **Waste**	**100%** hazardous waste is disposed as per applicable regulatory requirements	Natural Capital	12
Water	GRI 303: **Water and Effluents**	**0.082 M³/Tonne of cement** Specific freshwater consumption	Natural Capital	6, 12
Emissions management	GRI 305: **Emissions**	**529 Kg CO_2/Tonne** of Cement equivalent, for Specific Net Scope 1 CO_2 emissions	Natural Capital	3, 12, 13, 14, 15
Energy	GRI 302: **Energy**	**373,020 GJ** of Renewable energy consumption; **48.2%** Share of green power in total power consumption	Natural Capital	7, 12, 13
Biodiversity	GRI 304: **Biodiversity**	**84,646** Saplings planted; **90%** Survival rate of saplings	Natural Capital	15
Circular economy	GRI 306: **Waste**	**27.23%** Alternate raw material consumption by weight	Natural Capital, Manufactured Capital	12
Low carbon products	Non-GRI topic	**75.13%** of low carbon cement produced	Natural Capital, Manufactured Capital	
Climate change	GRI 302: **Energy** GRI 305: **Emissions** GRI 306: **Waste** GRI 303: **Water**	**263 MW** Total green energy capacity; **336,458 KL** of water recycled; **530 Kg/Tonne** of cementitious material Specific Net Scope 1 Emissions	Natural Capital	3, 6, 7, 12, 13, 15

Manufactured Capital   Natural Capital

MATERIALITY ASSESSMENT

Social

Topic	GRI Alignment	Performance Highlight	Related Capitals	SDG Alignment
Occupational health and safety	GRI 403: Occupational Health and safety	Lost time injury Employees: 1 Contract workers: 14		3, 8
Employee relation	GRI 401: Employment	**Zero cases** Of Labor unrest during the year		3, 8, 5, 10
Training and development	GRI 404: Training and development	**20.98** Hours Average training hours per employee		4, 5, 8, 10
Supply chain	GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	Third Party Audit of 28 of suppliers on Environment and Social parameters within past four years		8
Non-discrimination	GRI 406: Non-discrimination	**Zero cases** Of discrimination and sexual harassment		5, 8
Customer satisfaction	Non-GRI	**85%** Customer Satisfaction Score		
Community development	GRI 413: Local communities	**6.27 Lac** Beneficiaries from community development programmes		1, 2, 5, 6, 8
Resettlement and rehabilitation	GRI 411: Rights of Indigenous People	**Zero incidents** Of violations involving rights of indigenous people		
Human rights	GRI 405: Diversity and Equal Opportunity GRI 406: Non-discrimination GRI 408: Child Labor GRI 409: Forced or Compulsory Labor GRI 407: Freedom of Association and Collective Bargaining GRI 412: Human Rights Assessment	**6,242** Man hours of training on human rights		5, 8, 10

Human Capital   Social and Relationship Capital

Governance

Topic	GRI Alignment	Performance Highlight	Related Capitals	SDG Alignment
Regulatory compliance	GRI 205: Anti-corruption GRI 206: Anti-competitive Behavior	Regular monitoring and review of compliances	Corporate Governance Report	
Cyber security	GRI 418: Customer Privacy	**ZERO** Cases of complaints concerning breaches of customer privacy and loss of customer data		
Governance and ethics	GRI 205: Anti-corruption GRI 206: Anti-competitive Behavior	Robust governance framework	Corporate Governance Report	16
Business performance	Non GRI topic	**₹14,306 CRORE** Net revenue from operations		8
Raw material procurement	GRI 301: Materials	**27.23%** Low grade material and other companies waste used as raw materials		8, 12
Procurement Practice	GRI 204: Procurement Practices	**99%** Local consumption of raw material and stores and spares out of total raw material and stores and spares consumption		8
Indirect Economic Impact	GRI 203: Indirect Economic Impacts	**₹23.53 CRORE** Expenses on rural development projects including road construction and other infrastructure development		1, 3, 5, 8, 9, 11
Risk Management	Non GRI topic	Robust risk management framework		

Human Capital   Intellectual Capital   Manufactured Capital
Social and Relationship Capital   Financial Capital   Natural Capital

FY 2021-22
PERFORMANCE HIGHLIGHTS

Our work shines through in several ways

Intellectual Capital

02
New R&D units recognised by Department of Scientific and Industrial Research (DSIR approved R&D units available at all integrated unit locations)

₹24.85 CRORE
Investment on Research and Development

04
Patents granted till date

Manufactured Capital

14
Manufacturing locations across India

46.40 MTPA
Cement production capacity

10
Presence in number of States in India

2
New cement / clinker projects commissioned

Natural Capital

2.56 GJ/TONNE
Specific energy consumption (per tonne of cement produced)

0.082 M³/MT
Specific water consumption (per tonne of cement produced)

48.2%
Share of green power in total power consumption

263 MW
Total green power capacity (Waste Heat Recovery Power Plant, Wind Power Plant and Solar Power Plant)

> 5X
Water positivity

Human Capital

6,445
Permanent employees

13,019
Contractual workmen

817
New hires

89
'Great place to work' survey score

1,35,244
Hours of training and skill development

Financial Capital

₹14,306 CRORE
Revenue from operations (net) 13% ↑ Growth YoY

₹4,185 CRORE
EBIDTA

₹2,377 CRORE
PAT

₹8,601 CRORE
Investments (Excluding investment in subsidiaries)

₹90
Per share (900%) dividend (including final dividend recommended)

₹86,711 CRORE
Market capitalisation (as on 31st March, 2022)

17.2%
Return on average capital employed

Social and Relationship Capital

6.27 LAC
Number of lives touched

₹57.54 CRORE
Amount spent on community development initiatives

90%
Revenue from repeat customers

30,672
Dealers

1,156
Depots

INTELLECTUAL CAPITAL

Harnessing science for long-lasting impact

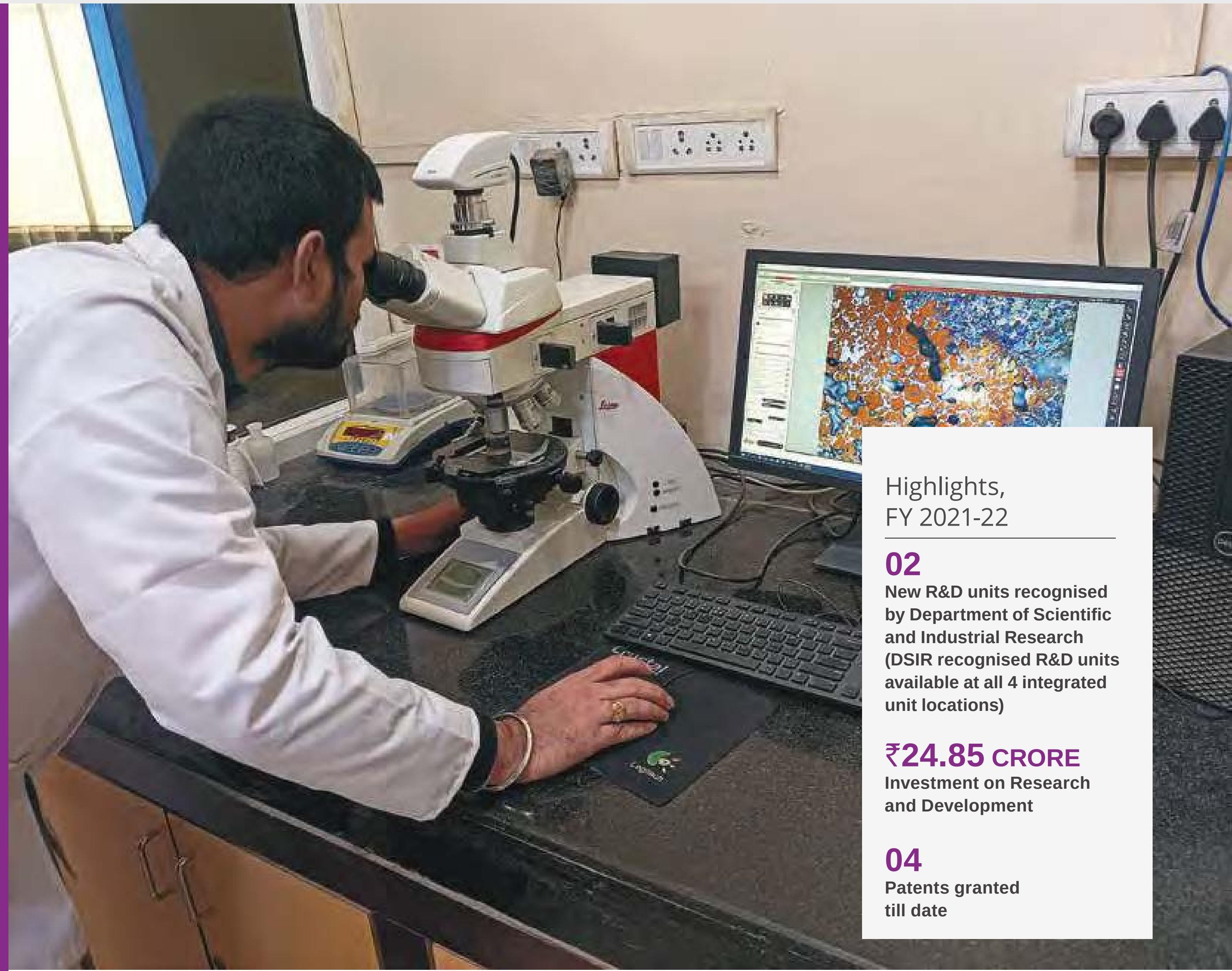
Augmenting our innovation capabilities by encouraging partnerships in sustainable product development and process enhancement.

At Shree Cement, culture of innovation is at the core of our business processes. The primary focus on continuously improving processes through innovation helps us to manufacture sustainable products in most efficient manner.

Contribution to SDGs

- Industry, Innovation and Infrastructure
- Responsible Consumption and Production

Capitals Connected



Highlights, FY 2021-22

02
New R&D units recognised by Department of Scientific and Industrial Research (DSIR recognised R&D units available at all 4 integrated unit locations)

₹24.85 CRORE
Investment on Research and Development

04
Patents granted till date

Associated Material Topics

- Low carbon/ green products
- Cybersecurity

Focus areas

- Strengthening innovation capabilities
- Digitalisation to be changed to Digitalisation at all places
- Collaborate to innovate
- Product innovation with improved carbon footprint

Inputs

- Investments in Innovation
- Innovation in production and business performance

Outcomes

- Improved Productivity
- Patents Granted

INTELLECTUAL CAPITAL

Our vision is to lead in creating prosperity and happiness for all stakeholders through innovation and sustainable practices. Thus, we aim to constantly adapt and grow through our continuous innovation and research capabilities. We are focusing on embracing digitalisation and sustainability, optimising performance, and strengthening our innovation capabilities, thereby leading to future-proofing the business.

Our processes and policies are adapted and consistently improved to minimise environmental impact and create inclusive growth. This has been supported by use of efficient technologies and digital transformation leading to design improvements and process automation. Process automation has resulted in improved product quality and process efficiency.

Strengthening the innovation capability

The aim of our Research and Development (R&D) at Shree Cement is to develop innovative products and technologies, and, optimise processes. This results in energy efficiency, reduced CO_2 emissions, and reduced cost of production.

We, at Shree Cement, are committed to finding sustainable ways of making cement. As a part of strategy, we invested in optimised energy and process efficiencies and replaced energy intensive technologies with alternative and more efficient solutions.

In FY 2021-22, we invested ₹ 24.85 Crore on R&D, in line with our purpose to develop value-added and eco-friendly varieties of cement and concrete and improve the existing processes through digitalisation and automation.

As on 31st March, 2022, our R&D footprint covered facilities at Beawar & Ras – Rajasthan (North Zone), Raipur-Chhattisgarh (East Zone) and Kodla-Karnataka (South Zone). All our R&D centers are powered by our world-class technology ecosystem to provide more advanced solution in cement and concrete along with effective utilisation of waste and resources to develop better products that meet quality requirements and are more sustainable. With the most recent accreditation of Raipur and Kodla R&D centers, all our R&D centers are now duly accredited by Department of Scientific and Industrial Research (DSIR).

Patents

We are the first Indian cement company to produce synthetic gypsum to replace natural gypsum in cement production. Our efforts have been acknowledged by the Government of India by awarding two patents on technology developed to manufacture synthetic gypsum.

Two other patents are granted for our innovations in waste heat recovery and cement mill. We have filed one new patent within FY 2021-22, which is under review.

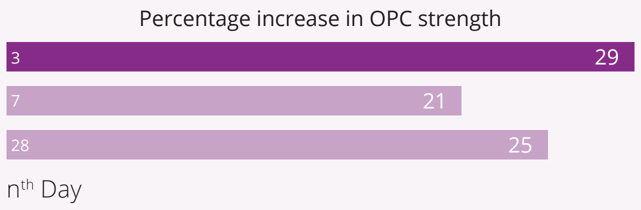
CASE STUDY

Use of modified poly carboxylic ether as a water reducing agent

We conducted several R&D experiments during the reporting period with a central focus on performance improvement and sustainability.

One such experiment was conducted with an objective to determine effect of water reducing additive on the performance of Ordinary Portland Cement (OPC). We used poly carboxylic ether as an additive which is known as high range water reducer, mainly used in making high strength mortar & concrete. The experiment showed an increased strength in concrete at additive dose of 0.20% with reduction in water to cement (W/C) ratio on various days of testing.

Increase in OPC strength (in %)



Collaborate to Innovate

Our research aims to bring together the best thinking and ideas to innovate boldly for people and the planet. We have strengthened our in-house capacity and partnered with different academics and agencies and government institutions such as Global Cement and Concrete Association (GCCA), National Council for Cement and Building Materials (NCCBM), IIT Delhi and others.

We have also held discussions with The World Bank to act as a knowledge partner with them (including their affiliates), on projects / programmes relating to sustainability and climate change. We have offered to participate in initiatives, workshops, training programmes, etc. related to sustainability and also to fund research in the areas of Carbon Capture, Usage & Storage (CCUS), use of waste materials, resource conservation, power storage technology and pollution control measures. We also offered our facilities for setting up pilot projects in these areas.

Strategic partnerships and collaborations during FY 2021-22

To achieve net zero globally by 2050, the Global Cement & Concrete Association started an initiative 'Open Challenge', where selected start-ups from around the globe will be backed by its member companies to develop new technologies around Carbon Capture, Usage & Storage (CCUS). Being one of the member firms of GCCA, we participated in "Innovandi" project designed to accelerate deployment of enabling technologies for CCUS.

We, along with other member firms, will collaborate with Carbon Upcycling Technologies (CUT) a leading firm engaged in identifying solutions and technologies to reduce cement and concrete's carbon footprint. The new technology identified by them utilises captured CO_2 to produce a range of supplementary cementitious materials from hitherto unusable materials to create low carbon cement and concrete. Presently, the process is still in the preliminary stage. If successful, this could be a very good utilisation of CO_2 that is otherwise released into the atmosphere and an important milestone in SCL's net zero journey.

"The prospect of using new state-of-the-art technologies to resolve cement industry's greatest abatement challenge is super exciting. We look forward to deploying one of these technology-based solutions to achieve net zero status and combat climate change."

Mr. Shrinath Savoor
Chief Sustainability Officer

INTELLECTUAL CAPITAL

CASE STUDY

Industrial Internet of Things (IIoT) for smart manufacturing

Driven by the advent of IIoT we have adopted an innovative integrated logistics management system. The solution is targeted to deal with inefficiencies at each step – vehicle fleet, weigh bridges and production facilities.

Earlier, the vehicles entering to load or unload at the plants took a long time to exit as the entire process starting from security checks, loadings to payment were done manually. Moreover, they not only hampered efficiency but were also human resource intensive. There were several other challenges such as vehicle history data could not be verified and extended periods of waiting inside factories with engines running wasted a lot of fuel and caused traffic congestion.

Leveraging IIoT solutions to integrate and automate the process, we deployed integrated logistics management solution and automated the entire process. Now entire vehicle fleet has been registered and given RFID-tags. From gate-entry to gate-out, there is no manual intervention and entire process has been automated.

This has significantly reduced the total turnaround time resulting into increased productivity and capability to load more truck.

Cyber security

Over the last decade, the number of information security breaches has increased exponentially exposing vulnerable users and systems to great risk. The effects of cyberattacks are widespread and can damage an organisation's reputation.

Our cyber security strategy ensures the confidentiality and integrity of business and customer data. We have adopted a 360-degree cyber security framework that covers people, processes and technologies. Our IT policy enhances our cyber security roadmap and is available to all the employees throughout the organisation. We regularly review and update our policy to improve data security and processes.

Our Chief Information Officer (CIO) is responsible for managing various aspects of cyber security strategy and ensures that our organisation remains protected in the context of dynamic cyber threats. Our Risk Management Committee at Board level oversees overall enterprise risks of the organisation related to cyber security.

As part of our continual strengthening of security systems and practices, every year, we carry out end to end assessment of IT infrastructure followed by cyber security awareness sessions for our employees on cyber threats and attacks. Our incident response team detects and eliminates attempts of security breaches or cyber-attacks through proactive planning and monitoring.

Embracing Sustainability

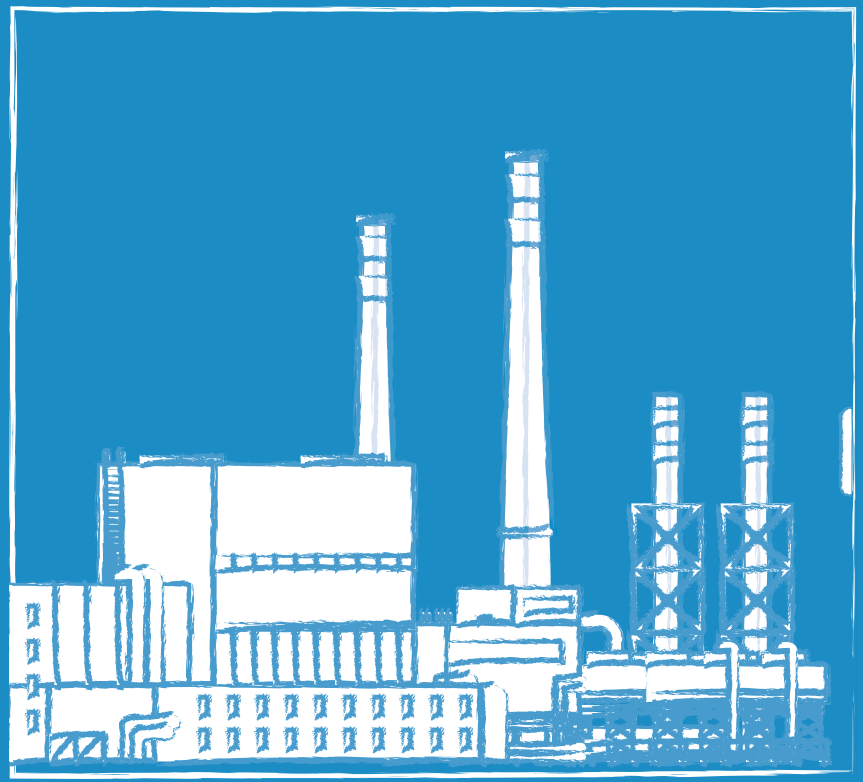
The path forward to having a competitive edge and building resilience through sustainability is clearly-embedded into products and processes, and drive innovation with digitalisation. This allows us to anticipate stakeholder expectations, identify potential business prospects, and thus, future-proof our company. As a continued effort, our research team is working relentlessly on product development and process enhancement which are not only innovative in nature but are also responsible and sustainable.

We have diversified our product portfolio to cater to the evolving needs of our wide customer base. We manufacture Ordinary Portland Cement (OPC) and blended cement under categories of Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC). Blended cement contributes to sustainable design by making concrete stronger and durable, reducing consumption of natural resources such as limestone, lowering greenhouse gas emissions. It contributes to a circular economy by utilising wastes from power, and iron and steel plants. During FY 2021-22; total blended cement production accounted for 75.13% of total cement production.

We are currently in process to explore feasibility of another sustainable alternative to OPC i.e., Limestone Calcined Clay Cement (LC3). LC3 cement can help reduce up to 40% CO_2 emission as compared to OPC and contribute towards sustainable growth. This also supports in meeting our commitment of reducing our specific GHG emissions.

MANUFACTURED CAPITAL

Process excellence, enhanced capacities compound growth traction



Paving the way for sustainable infrastructure

We are proud to be amongst top three cement manufacturers in India. We have been expanding our capacity at a pace higher than the industry which has helped us gain market share as well as spread our presence in new geographies. We constantly focus on improving the efficiency of our manufacturing processes. This contributes to our effective growth and operational excellence. We are also focusing on adoption of Industry 4.0 as we expand our manufacturing footprint. This will facilitate meeting our objective of making our plant 'State of the Art and IT driven' by adoption of newer technologies, safety practices & IT integration.

Contribution to SDGs

- Decent work and Economic Growth
- Industry, Innovation and Infrastructure
- Responsible Consumption and Production

Capitals Connected

Highlights, FY 2021-22

14
Manufacturing locations in India

46.40 MTPA
Cement production capacity

10
Presence in number of States in India

2
New Cement / Clinker projects commissioned

Associated Material Topics

- Circular Economy
- Low carbon/green products
- Business performance

Focus areas

- Capacity Expansion
- Promoting Sustainable Manufacturing
- Enhancing Quality and Efficiency improvement

Inputs

- Integrated Cement Plants
- Grinding units
- Cement production capacity
- Total power generation capacity
- Clinker Production Capacity

Outcomes

- Capacity Utilisation (%)
- Indirect Economic impacts (employment generation, environmental conservation)

MANUFACTURED CAPITAL

Our manufactured capital consists of physical assets that help us run our operations and produce products for serving our customers. This includes our land & building, plant & equipment, mine facilities, railway sidings and all other physical assets.

Our manufacturing facilities at 14 locations including four integrated plants and ten split grinding units form the core of our operations. These facilities provide us with space wherein multiple opportunities for innovation and creativity are explored. As a result of our focus on continuous improvement, we have been able to achieve 'best-in-class' operational excellence. Our total installed capacity of cement stands at 46.40 million tonnes per annum. Our clinkerisation locations are strategically positioned so as to have a close proximity to raw materials and principal markets. Our cement facilities at the above integrated unit locations as well as our split grinding units combine as a well-knitted hub of facilities for ensuring faster and timely service to our customers. The split grinding units deliver significant logistics management and cost benefits, allowing us to price our products in an efficient manner.

We develop our products to meet the requirements of different customer segments. Our products include Ordinary Portland Cement (OPC), Portland Pozzolona Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC). We are continuously increasing our market share through multiple brands in the market. Over the last few years, we have launched premium products i.e., Roofon & Bangur Power which have helped us in maintaining our brand positioning. A small portion of our revenue comes from another building solution viz Autoclaved Aerated Concrete (AAC) blocks.

We also have an Integrated plant in UAE through our subsidiary Union Cement Company (PJSC). It caters to customers in the Middle East and International markets.

New Developments

As part of our strategy of continuous increase in our market share and sustained improvement in our efficiency and productivity, we continually invest in building new manufacturing facilities as well adding newer and more advanced technologies in existing facilities. The much-needed competitive edge derived through this investment helps us build cost leadership, gain market share and contribute towards sustainability.

Cement & Clinker Capacity addition

- We added a third kiln having capacity of 4 MTPA at Baloda Bazar in Raipur district of Chhattisgarh on 28th March, 2022. The project was completed in a record time of 18 months, six months ahead of its target completion date. This will help us augment clinker supply to our grinding units in the eastern region. Further, work for setting up Waste Heat Recovery (WHR) is progressing as per schedule and is expected to be completed by end of September 2022. This will help us replace our captive thermal and grid supply through clean and green source.
- We commissioned our greenfield project having capacity of 3 MTPA at Patas, Pune Grinding Unit on 01st February, 2022. This will help us to strengthen our market share in the growing markets of Maharashtra.
- We are in the process of setting up an integrated cement plant at Nawalgarh in Rajasthan with a project cost of ₹ 3,500 Crore. The project would have waste heat-based power generation facility as well. We expect to commission this plant by March 2024.
- We have undertaken work of setting up a cement grinding unit of 3 MTPA in West Bengal through a wholly owned subsidiary in order to increase our market share in the eastern market.

Railway Siding Development

We have invested in reinforcing our logistics capabilities in the form of railway sidings at various plant facilities. We already had these facilities at our manufacturing plants at Beawar and Ras. We also had a dedicated private railway freight terminal for our Baloda Bazar plant through our wholly owned subsidiary. This year, we have completed the work of new siding at our plant in Jharkhand, while the work of new siding is near completion for our plants in Maharashtra and Karnataka. The new sidings will generate savings in logistics cost as well as improve logistics capability.

Renewable Energy Capacity

We commissioned wind power capacity of 8.4 MW in Karnataka which will help us in meeting additional power requirement of our Kodla Plant. Further, we commissioned wind power plant of 10.5 MW capacity for our Patas grinding unit in Maharashtra.

We are in the process of setting-up of 106 MW solar power plant for meeting captive power requirement of our cement plants. Presently, we are meeting around 48% of our power requirement through green energy sources. With the new investment in renewable energy, we aim to enhance our share of green energy in total power consumption significantly. This will facilitate in raising our green footprint as part of our sustainability goals.

Other investments

For ensuring sustained raw material supplies as well as to augment existing supply sources, we have acquired mining lease rights at some locations. We are also regularly participating in auctions for newer mines. Further, we are continuously buying land and building necessary infrastructure at various sites. These investments will help us augment our capacity in future.

Ras, Rajasthan- Our flagship facility

Our manufacturing plant at Ras in Rajasthan is our flagship facility. This facility houses 8 kilns at a single location, giving it the distinction of being the only facility in world with the highest number of kilns at a single location. The captive limestone mines at Ras with a daily capacity of around 1 Lac tonne including waste makes this site as one of the largest single-location limestone facility in the world. The facility uses state of the art technology with majority of the power being met from WHR based generation. With high standards of energy consumption and productivity, this site truly reflects high sustainability credentials. Also, concentration of such large capacity at a single location helps us in optimising our administrative cost and increase operational efficiency.

Production trends

We at Shree Cement, believe in consistent improvement in cement production techniques to make it more sustainable and earth friendly. Our strategy is to expand our production capacity and market share while taking into consideration the reliability and safety of our operations and techniques.

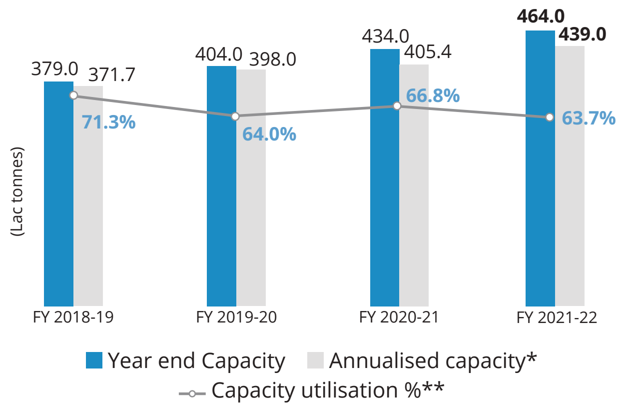
Cement Production (Lac tonnes)

FY 2021-22	276.92
FY 2020-21	263.61
FY 2019-20	241.15
FY 2018-19	250.63

Clinker Production (Lac tonnes)

FY 2021-22	176.99
FY 2020-21	171.25
FY 2019-20	165.57
FY 2018-19	176.50

Capacity and capacity utilisation



* Annualised capacity has been calculated based on number of days' capacity is available.

** Capacity utilisation has been worked out based on equivalent cement production (i.e. [cement production + (clinker production x conversion factor)] divided by annualised capacity during the year.

MANUFACTURED CAPITAL

Initiatives taken during pandemic to achieve and maintain operational excellence and production capacity

We activated our Business Continuity Management (BCM) plan in March 2020. We prepared contingency plans such as work from home, enhanced safety measures, strategies for continuity of business and rapid restoration of operations. On resumption of operations post relaxation of the nation-wide lockdown, we immediately put in place all COVID-19 related protocols mandated by the government as well as industry bodies, to ensure safe working conditions for employees and workers. Depending on the nature of work, employees were shifted to a 'work from home' mode, and online/digital tools were deployed to make the transition seamless.

Power Generation facilities

We have established total power generation capacity of 771 MW, which includes green power capacity of 263 MW. These facilities help us meet a significant portion of power required for our manufacturing units while also take advantage of opportunities of selling surplus power from time to time.

Sustainability and Innovation

For development of our new site at Nawalgarh, Rajasthan, we have associated with the best-in-class Danish equipment manufacturer to provide state-of-the-art, sustainable technology, which offers the lowest NOx emissions for various fuel types. These sustainable technologies will lead to five to ten percent less power consumption compared with other grinding systems in the market.

Being recognised as a Sustainability Champion by the World Economic Forum, is a testament of our emphasis on sustainability at every stage of our operations. The new line will push that agenda even further in terms of lowering the benchmarks on energy consumption and emissions, and thereby, reducing our environmental footprint.

Raw Material Linkages

We excavate our raw materials using the best available technology from our mines. Limestone is extracted from our captive mines at Beawar, Ras, Raipur and Kodla. We are pioneers in manufacturing synthetic gypsum in-house using alternative raw materials which in turn helps us to reduce our dependence on mineral gypsum. At Shree Cement, efficient transportation is one of our main objectives. Additionally, taking a step towards decarbonisation, we have dedicated railway sidings at Beawar, Ras and Burudih with mechanised wagon loading system for cement loading. We also have access to a dedicated railway siding system outside our premises at Raipur. All our upcoming grinding locations will also have captive railway sidings. Additionally, a mechanised clinker wagon loading system is available at Ras & Raipur locations. This system lets us load clinker directly in the wagons using telescopic chutes. The strategic positioning of these locations leads to cost optimisation and reduction in freight costs.

Key technologies to enhance operational excellence

We are pioneers in using advanced technology to boost our operational excellence. We use latest and most advanced technology to setup our manufacturing facilities and allied processes. We have been undertaking Computational Fluid Dynamics (CFD) studies to understand the air flow and take measures to enhance efficiency and hence, reduce power consumption. We have installed online conditional monitoring system within our raw mills that helps us detect machine faults at a very early stage, prevents machine break down and thus, enhances equipment life through preventive maintenance. A kiln online Condition Monitoring System (CMS) is now being tested within our kiln for monitoring kiln ovality, crank and vibration.

With an aim to optimise production lines, minimise equipment downtime and improve productivity, we are in the process of automating Plant Data Management System (PDMS) in collaboration with our multinational engineering service solution provider.

Responsible mining strategies

During our mining lifecycle, we follow responsible mining techniques. We have government approved mine closure and rehabilitation plans in place. We take all statutory clearances from government. We carry out Environmental Impact Assessment (EIA) before beginning our mining operations to ensure that environmental impact are duly taken care of as well as local communities and biodiversity are not affected. Our mining sites do not violate any laws and do not intrude into the territories of indigenous people. The excavated soil during mining process is used for cultivation or land development. Dump slopes created by mining operations are designed for stability and safety.

Use of digital technology

We use DATAMINE, a mining software for reserve estimation and day-to-day planning for maximum mineral recovery. We are the only company in the cement industry to use structural mapping for planning minimum wastage of limestone.

We are also the first cement manufacturing company to adopt Shree Dynamine, a GPS based truck dispatch system at our mines at Ras. Dynamic allocation of equipment along with optimisation of dumper routes are an important feature of Shree Dynamine. Entire operation is controlled from central control room and our prime focus is safety enhancement.

Efficient techniques

We have installed cross belt analyzer at our mines to safeguard quality consistency and conservation of limestone.

To improve safety during blasting, we use shock tubes Non-Electric Detonators (NONEL). They help in reducing blasting nuisance like vibrations, noise, fly rocks etc. Also, we use Bulk Mixing and Delivery (BMD)vans to guarantee better oxygen balance while blasting which results in optimal blasting energy. BMD also helps to eliminate the brown fumes generation.

Way Forward

Long term goals

Our long-term goal is to grow sustainably and to maintain our pre-eminent position in the Indian cement industry. Our first target in this direction is to achieve cement production capacity of 80 MTPA by FY 2030. We shall do this in a responsible manner keeping in mind the interests of all stakeholders. Expanding our asset footprint in regions where our presence is still low will lead to quicker growth while getting us a more balanced distribution of capacity.

Short term goals

Our short-term goal is to improve market share in our existing market by offering varied products based on requirements and preferences of our different customers at a reasonable price and improve distribution.

"Our use of technology has helped us meet our strategic objectives and accelerated efficiencies significantly. From better logistics management to wider implementation of circularity, the impact is multi-dimensional."

Mr. P N Chhangani
Whole-time Director

NATURAL CAPITAL

Consistently adding to our green capabilities

Highlights, FY 2021-22

2.56 GJ PER TONNE OF CEMENT
Specific energy consumption

48.2%
Share of green power in total power consumption

0.082 M³ PER TONNE OF CEMENT
Specific water consumption

263 MW
Total green power capacity (including Waste Heat Recovery, Wind and Solar)

> 5X
Water Positivity

Minimising our impact on the environment through resource conservation and responsible consumption.

Cement production requires large amount of resources as well as it is an energy intensive process. Mitigating environment related risks and tapping related opportunities is an integral part of the business strategy. This has gained additional importance with the increased challenges of resource depletion and impact of climate change.

Contribution to SDGs

- Clean Water and Sanitation
- Affordable and Clean Energy
- Sustainable Cities and Communities
- Responsible Consumption and Production
- Climate Action

Capitals Connected

Associated Material Topics

- Climate Change
- Circular Economy
- Low carbon/ green products
- Waste Management
- Energy management
- Emissions Management
- Water management
- Biodiversity management
- Regulatory compliance

Focus areas

- Increasing share of green energy consumption
- Improving energy efficiency
- Emission management
- Enhancing Quality and Efficiency improvement
- Water stewardship
- Circular Economy/ Responsible production and consumption

Inputs

- Raw Material Consumption
- Energy Consumption
- Water Consumption
- Renewable Energy Capacity

Outcomes

- Enhanced use of alternative raw material and alternative fuel
- Thermal substitution rate
- Reduction in specific water consumption-
- Biodiversity management
- Reduction in Emissions (Scope 1 and stack emissions)

NATURAL CAPITAL

Laying a strong foundation with sustainability at its core require continuous efforts. As an organisation, we ensure to create a positive impact on the environment in order to strengthen the future. We have been focusing on recycling materials and increasing the share of clean energy in our total energy consumption. We are also committed to reducing our GHG emissions in line with the targets validated by Science Based Targets initiative (SBTi).

Increasing share of green energy consumption

Energy management plays a vital part in transitioning to low carbon economy and reducing one's carbon footprint. Our culture of innovation, cost consciousness and operational efficiency has led us to work on improving our process efficiency and optimising energy consumption. We have been continuously working in enhancing the use of alternative fuels instead of fossil fuel-based energy. Source-wise energy consumption details for the reporting period are shown below:

Energy Source	FY 2020-21 Million GJ	FY 2021-22 Million GJ
Solar, Wind & Biomass	0.26	0.37
Alternative Fossil Fuels	0.52	1.22
Waste Heat Recovery	2.96	3.01
Conventional Fuels	67.36	66.41
Total Energy Consumption	**71.10**	**71.01**

To meet our power requirement, we have installed power plants (thermal, wind, solar, waste heat recovery based) of aggregate capacity of 771 MW. Our power generation capacity from waste heat recovery based power plants is highest in the world cement industry excluding China. Over time, we have added wind and solar power plants in our power capacity portfolio. We take pride in sharing that we have consistently increased the share of green power in the total power consumption and for the reporting period. The same stands at 48.2% which is one of the highest in the industry.

Share of green power in Total power consumption (%)

FY 2021-22	48.2
FY 2020-21	47.9
FY 2019-20	45.2
FY 2018-19	41.4

Total Green Energy Capacity (in MW)

FY 2021-22	263
FY 2020-21	244
FY 2019-20	234
FY 2018-19	147

Improving energy efficiency

One of the cement industry's constant key concerns is the optimisation of manufacturing processes. Energy consumption is a crucial parameter in plant performance and a critical factor for optimisation. We have consistently upgraded our existing technology and have invested in more energy efficient technologies, which has resulted in power savings.

Specific energy consumption (GJ/tonne of cement)

FY 2021-22	2.56
FY 2020-21	2.70

"We have been steadily increasing our solar generation cover and securing ourselves against fuel and cost fluctuations. With existing facilities in states with some of the best solar potential in India, this is an advantage that we will fully leverage."

Mr. M M Rathi
Jt President (Power Plant)

Specific Thermal Energy Consumption* (GJ/tonne of cement)

FY 2021-22	2.39
FY 2020-21	2.54

* Including thermal energy consumption by Captive Thermal Power Plants, Kilns, Furnaces and onsite equipment and vehicles.

Due to continuous optimisation in processes, adoption of newer technologies, and other initiatives, we have been able to reduce our total specific energy consumption year on year basis. Marginal increase in our electrical energy consumption in FY 2021-22 is due to shifting of consumption of captive power from electricity from the grid/energy exchange. However, if our overall specific electrical energy consumption is considered including that produced from the captive power plants, the same has come down by over 2% during FY 22.

Specific electrical energy consumption (kWh/tonne of cement)

FY 2021-22	67.15
FY 2020-21	68.65

Performance Optimisation

We conduct internal energy audits that have resulted in implementation of various energy saving initiatives over the year across various operations. Our operation team has been able to achieve remarkable energy reduction across our facilities.

Some of our other energy conservation initiatives include deployment of energy efficient technology and process, modification in existing equipment, replacement of conventional systems with more advanced ones and more. Few of the examples are -

- Replacing reciprocating compressor for plant air application with screw compressor in the grinding units
- Installation of new energy efficient fans in place of existing inefficient fans
- Replacing the old (oversised) pumps with the energy efficient pumps
- Interconnection of pump pipeline for energy saving
- Installation of low pressure screw compressor for bulker cement unloading which helped us unload bulker more efficiently while providing substantial power saving

CASE STUDY

Installation of centrifugal compressor instead of reciprocating compressor for plant air application

Reciprocating compressor have been in use in the cement industries due to its robustness and easy maintenance. However, this has high specific power consumption and during the unload condition leads to power loss. As a part of internal energy audits, we had identified replacing reciprocating compressor with centrifugal compressor that reduces the specific energy consumption.

We replaced all the reciprocating compressors with centrifugal compressors for plant air (Pyro, raw mills, coal mills and other areas) with a target to reduce specific energy consumption of compressed air power by 30-35%.

NATURAL CAPITAL

Energy conservation initiatives

Initiative description	Annual Electrical Energy Savings (Lakh KWH)	Annual Fuel Savings (TJ)
Deployment of Energy Efficient (EE) equipment	25.24	-
EE Lighting	8.84	-
Equipment modification	112.52	-
Installation of AFR Feeding System for Kilns	-	1,196.00
Process Modification	53.21	-
Grand Total	**199.81**	**1,196.00**

Emission management

We keep a track of our emissions through regular monitoring. This ensures that we are always well within the permissible limit while complying with the rules and regulations. We have set GHG emission reduction targets while aligning ourselves with the national commitments. We target to reduce our Scope 1 Green House Gas (GHG) emissions by 12.7% per tonne of cementitious material by 2030, from a 2019 base year. We have also targeted to reduce our Scope 2 GHG emissions by 27.1% per tonne of cementitious material. These targets have been validated by Science Based Target initiatives (SBTi).

	Unit	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Gross scope 1 emissions*	Thousand tonnes CO_2e	15,426	15,055	15,465	15,735
Net scope 1 emissions**	Thousand tonnes CO_2e	14,305	14,139	14,334	14,776
Scope 2 emissions***	Thousand tonnes CO_2e	191	254	241	331
Scope 3 emissions****	Thousand tonnes CO_2e	236	210	248	264

Note: Figures conforming to Global Cement and Concrete Association (GCCA) CO_2 and Energy Protocol, World Business Council for Sustainable Development (WBCSD) GHG Protocol and CDP Climate Change Reporting Guidance.

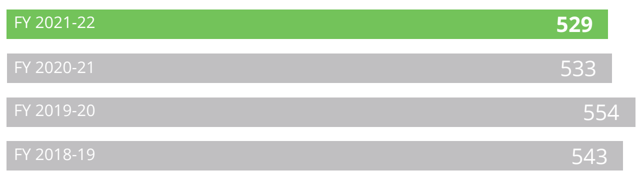
* Due to raw materials, kiln fuels and non-kiln fuels, including CO2 from onsite power generation (all fossil sources)

**Due to raw materials, kiln fuels and non-kiln fuels, excluding CO_2 from onsite power generation and excluding CO_2 from alternative fuels

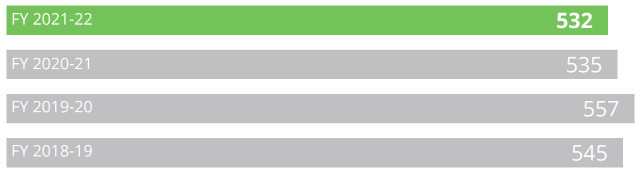
*** Scope 2 emissions: Emissions associated with purchased electricity from grid

**** The Scope 3 emissions includes following categories:
Category 3: Fuel and Energy related activities; Category 4: Upstream transportation and distribution; Category 6: Business Travel; Category 7: Employee Commuting; Category 8: Upstream Leased Assets; Category 9: Downstream transportation and distribution; Category 13: Downstream Leased Assets

Specific Net Scope 1 CO_2 emissions
(Kg CO_2/tonne cement equivalent)



Specific gross Scope 1 CO_2 emissions
(Kg CO_2/tonne cement equivalent)



Our environment performance has remained one of the best and witnessed continuous improvement. Compared to global average of 604 Kg per tonne of cement and Indian average of 555 Kg per tonne of cement, we are well ahead of the curve with our specific net Scope 1 CO_2 emission of 529 Kg CO_2 per tonne cement and our specific gross Scope 1 CO_2 emission of 532 Kg per tonne cement during FY 2021-22.

1 Global Average (Excluding CO_2 from onsite power generation) = 604 Kg CO_2 / t cement Source: GCCA GNR 2019

2 Indian Average Sp. Net GHG emissions (Excluding CO_2 from onsite power generation) = 555 Kg CO_2/t cement Source: GCCA GNR 2019

Air emissions

At Shree Cement, we take strict measures to track air emissions such as Oxides of Nitrogen (NOx), Oxides of Sulphur (Sox) and Particulate Matter (PM). We comply with applicable laws while deploying state of the art technology for air pollution control. Regular stack monitoring helps us to keep a check on the air emission parameters. Through our continuous efforts, we have been able to keep our emission levels well within the regulatory requirements. Our Ozone Depleting Substance (ODS) emissions stood at 0.13MT of CFCeq. During the reporting period. Further, there were no environmental non-compliance.

909 MT; 51.43 Gm/tonne clinker
Particulate Matter (PM)

11,287 MT; 638.38 Gm/tonne clinker
Oxides of Nitrogen (NOx)

1,088 MT; 61.54 Gm/tonne clinker
Oxides of sulphur (SOx)

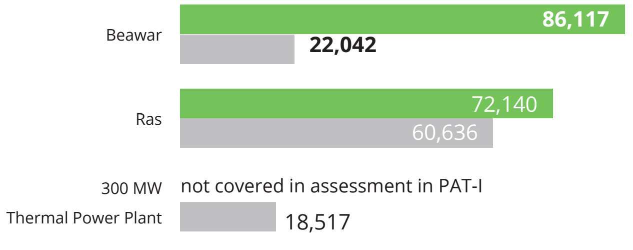
CDM Projects

We were the first cement company in India to register its project 'Optimum Utilisation of Clinker' with the United Nations Framework Convention on Climate Change (UNFCCC) under the Clean Development Mechanism (CDM). We were granted 4,50,000 units of Certified Emission Reductions (CERs) by UNFCCC for this project. Currently, we have two projects viz. waste heat recovery based power generation at Ras and generation of power through wind power plant at Kodla registered with gold standard through Verified Carbon Standard (VCS).

Performance under PAT

Our performance in energy conservation is getting exemplified at platforms like "Perform, Achieve & Trade" (PAT) scheme of the Govt. of India wherein we overachieved our targets in PAT Cycle I, II and III continuously. We have been awarded with the 'Best Performer' award for energy saving under PAT Cycle I by Bureau of Energy Efficiency. For Beawar and Ras plants, a total of 1,08,159 and 1,32,776 ESCerts have been issued under PAT cycle I & II respectively. Our 300 MW thermal power plant which was part of PAT Cycle II has also been accorded 18517 ESCerts.

ESCerts issued



Our cement plant in Baloda Bazar, Chhattisgarh has been included in PAT III cycle (FY 2017-20) for assessment. The monitoring & verification audit for PAT Cycle-III has been completed and we have again overachieved our target and are entitled to claim 12,222 ESCerts. Our grinding units at Roorkee, Khushkhera, Jobner, Panipat, Bulandshahr and Aurangabad have been notified in PAT -VI cycle and targets have been notified for the same.

NATURAL CAPITAL

Responsible consumption and Circular economy

Cement is a manufactured product made by blending different raw materials and firing them at a high temperature. Clinker quality is directly related to the chemistry of the raw materials used, main ingredient being limestone. Portland cement is the most widely produced by blending clinker and gypsum while blended cement is produced mostly by grinding clinker with other alternate raw materials such as blast furnace slag, natural pozzolanas, siliceous fly ash, etc. We have been consistently working on minimising usages of conventional raw material in cement production to conserve them for future. Consumption of each of the conventional raw materials within the reporting period is given below:

Conventional Raw Material	Unit	FY 2020-21	FY 2021-22
Limestone	MMT	25.55	26.54
Additives (Red ochre, red mud, bauxite, murrum, laterite etc.)	MMT	0.35	0.41
Natural gypsum	MMT	0.30	0.13
Total	**MMT**	**26.20**	**27.08**

Alternative raw material

We pioneered in-house manufacture of synthetic gypsum at Ras and Beawar plant. Synthetic gypsum replaces mineral gypsum in cement manufacturing without impacting the quality of our product thereby deriving multiple benefits such as utilisation of hazardous material (spent acid) and low grade waste limestone while reducing demand for natural resource i.e., mineral gypsum. Additionally, we procure chemical gypsum which is a byproduct of industries like fertilizer industry, to replace mineral gypsum. Alternative sources of gypsum contributed more than 85% of total gypsum consumption within the reporting year.

Replacement of Natural Gypsum	Unit	FY 2020-21	FY 2021-22
Chemical Gypsum	MMT	0.27	0.36
Synthetic Gypsum*	MMT	0.75	0.62
FGD Gypsum	MMT	0.01	0.04
Other Synthetic Gypsum	MMT	1.01	1.41
Total Alternative Gypsum	**MMT**	**2.04**	**2.43**
Alternative gypsum (excluding synthetic gypsum)	**MMT**	**1.29**	**1.81**

*Synthetic Gypsum is an intermediate product manufactured in-house using low grade limestone and spent acid, contributing to circular economy.

Consumption of natural gupsum (MMT)

Most of the alternative raw material or alternative fuel that we utilise within our processes is waste from other industries which would otherwise be dumped or incinerated, thus preventing huge environmental impacts of these wastes and turning them into useful material.

Other alternative raw material utilised within the reporting year is shown below:

Alternate Raw Material	Unit	FY 2020-21	FY 2021-22
Bed Ash	MMT	0.02	0.02
Fly Ash	MMT	6.52	7.11
GBFS Slag	MMT	0.48	0.31
Low-grade limestone	MMT	0.37	0.36
Marble Slurry	MMT	0.19	0.07
Sludge	MMT	0.01	0.02
Sulphuric Acid	MMT	0.25	0.26
Spent Sulphuric Acid	MMT	0.08	0.18
Alternative Raw Material	**MMT**	**7.92**	**8.33**

Alternative raw material consumption accounted to 27.23%* of the total raw material consumption within the reporting year vis-à-vis 26.01%** of previous year FY 2020-21.

Raw Material	Unit	FY 2020-21	FY 2021-22
Alternative Raw Material	MMT	7.92	8.33
Alternative gypsum less synthetic gypsum	MMT	1.29	1.81
Total Alternate Raw Material Consumed(A)	MMT	9.21	10.14
Total Conventional Raw Material (B)	MMT	26.20	27.08
Total Raw Material Consumed (C= A+B)	MMT	35.41	37.22
Alternate raw material consumption (D=A/C*100)	%	26.01	27.23

* % Alternative material is calculated considering alternative raw material and alternative gypsum excluding synthetic gypsum within total raw material consumption as Synthetic Gypsum is an intermediate product manufactured in-house using low grade limestone and spent acid.

** FY 2020-21 % alternative material values were recalculated by excluding manufactured synthetic gypsum quantities from total consumption quantity as this is an intermediary product.

Blended Cement

Production of blended cement i.e., Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC), reduces consumption of natural resources like limestone and contributes to circular economy through utilisation of waste from other industries (such as fly ash and slag). As a result, our clinker factor came down from 63.70% in FY 2020-21 to 63.25% in FY 2021-22.

Blended cement form a major portion of our diverse range of product portfolio. Blended cement have lower clinker content leading to lower GHG emissions in manufacturing and hence are also defined as low-carbon product. We have avoided approx. 6.04 million tonnes of CO_2 by producing blended cement in FY 2021-22. Use of blended cement also help our customers achieve credits towards our various green building certifications such as LEED USGBC/IGBC and GRIHA.

Alternative Fuel

As a part of our strategy to reduce our carbon footprint, we have been focusing on replacing fossil fuel with Alternative Fuels. We have been able to increase the share of alternative fuel within total fuel consumption to 9.84% in FY 2021-22 against 6.03% in FY 2020-21. Alternative Fuel in the kilns helped us achieve a Thermal Substitution Rate (TSR) of 2.41% of the kiln thermal energy consumption during the reporting period FY 2021-22 as against 0.98% during FY 2020-21.

Waste management

Hazardous waste can have serious impact on the environment as well as the health and safety of the community and our workers. Our waste management approach includes properly utilising and disposing the waste that we are generating from our operations. Major portion of used oil generated from our premises at Ras, Beawar, Khushkhera and Jobner is co-processed while remaining is disposed-off through authorised recyclers. At all our other locations, entire used oil is disposed-off through authorised recyclers. The biomedical waste is disposed through authorised agency as per the regulatory norms. Further, the e-waste and the batteries generated are disposed through authorised recyclers.

Hazardous waste generation quantity

Type	Unit	FY 2020-21	FY 2021-22
Used oil	MT	97.31	125.85
Biomedical waste	MT	1.18	1.19
E-waste	MT	21.20	19.8
Batteries	MT	21.67	26.84
Total	**MT**	**141.36**	**173.68**

The non-hazardous waste generated from our operations majorly include scrap filter bags, cardboard, paper, mixed metals, plastic scrap, mixed rubber, wooden scrap and inert material. We have on-boarded recyclers and the non-hazardous waste is disposed through the registered recyclers only.

Non-hazardous waste generation quantity

Type	Unit	FY 2020-21	FY 2021-22
Scrap Filter Bags	Nos.	12,396	11,606
Inert Scrap	Nos.	-	9,716
Cardboard/paper Scrap	MT	7.76	8.57
Mixed Metal Scrap	MT	10,122	11,891
Mixed Metal Scrap	Nos.	12,546	8,971
Mixed Plastic Scrap	MT	291	305
Mixed Plastic Scrap	Nos.	16,83,054	14,20,963
Rubber Scrap	MT	235	314
Tyre scrap	Nos.	128	104
Wooden Scrap	MT	25.16	1.59

Food waste

Various awareness measures have been undertaken to minimise generation of food waste. We ensure that the food waste is segregated from other waste streams for its management in the most eco-friendly manner. During the reporting period, we generated 11.8 MT of food waste. Most of the food waste is fed to the animals while remaining is composted through compost pits, pipe composting and organic waste composting systems. Compost thus produced is used as manure for horticulture purposes.

NATURAL CAPITAL

Water stewardship

Water management is a critical aspect for any organisation. As a responsible corporate citizen, we ensure careful management of water for our operations while taking care of the needs of the community. We follow a two-pronged approach as described below

Water conservation initiatives such as water harvesting structures

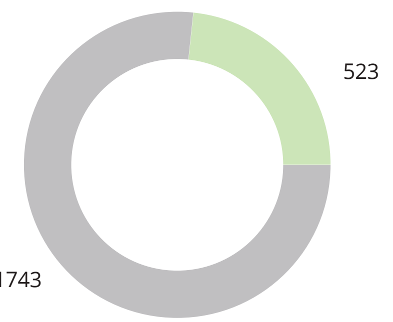
Awareness campaign on water conservation

Our total water withdrawal during the reporting period was 2,266 ML. The water that we consume is either withdrawn from ground water sources or from rain water harvested within mine pits or reservoir. We consumed 2,280 ML of water during the reporting period.

One of our focus areas is Zero Liquid Discharge (ZLD). All our facilities adhere to zero liquid discharge. During the reporting period, we treated and reused entire 336.46 ML of industrial and domestic wastewater generated within our premises.

We conform with all the applicable laws and regulations that safeguard water as a resource. Our water policy acts as a guiding principle that lays down our commitment to efficient water management through water harvesting, treatment of water discharge through water reuse, awareness sessions to educate people, water audits and regular monitoring of water consumption. Our water audits and regular monitoring helps us understand and assess the water related risks and plan suitable actions as required.

Water withdrawal (in ML)



	Unit	FY 2020-21	FY 2021-22
Specific Water consumption	m3/MT of cement produced	0.084	0.082

Water Positivity

FY 2021-22	>5 times
FY 2020-21	>4 times
FY 2019-20	>3 times

Over the years, we have implemented various water conservation initiatives within and outside our premises. Some of these are installation of air cooled condensers, waste heat recovery system and drip irrigation system. Further, we have developed and maintained artificial rainwater harvesting and recharge measures among others. We also create awareness among the nearby villagers, farmers and school children to educate them for effective utilisation and conservation of water. During the reporting period, the total rainwater harvested across all our locations was 11,602 ML. These measures have resulted in our organisation being >5 times water positive.

CASE STUDY

Harvesting water to tackle water scarcity

Ground water availability and soil erosion are some of the challenges inherent to the area that we operate in. We took this as an opportunity to create various water harvesting structures and undertook pond deepening work in the nearby villages in collaboration with Prabhu Foundation. This also supported our villagers making them self-sufficient.

At our Ras plant, we developed a 7 Lakh KL capacity of water harvesting pit in block 2 of our mine. In addition, at our plant in Kodla, we excavated a rainwater harvesting pond in the plant area of approx. 2.5 Lakh KL capacity. The water coming from mining process and rainwater is stored in this water harvesting pond.

NATURAL CAPITAL

Biodiversity Management

Managing biodiversity around mining and manufacturing operations play a critical part to preserve the eco-system. We conduct ecological study in collaboration with our partners, university experts, research institutions and accredited consultants for the species and habitats around our operations. We also engage with local experts as well as with the forest departments to develop biodiversity action plans, wherever needed.

Our approach of mitigation includes avoiding, minimising and restoring. The matured mining dump area of our mining sites have already been restored through leveling and plantation of trees and grass on the slopes along the internal roads. We encourage plantation of native species since they consume less water and can thrive easily. We have planted some of the native species on the overburden around the mines and at boundaries.

Through our efforts of developing water storage areas and plantation of saplings, we have been able to restore habitats.

In addition, we ensure we do not operate or set up projects within any world heritage areas, protected or eco sensitive zones, high biodiversity value or the International Union for Conservation of Nature (IUCN) category protected areas. None of the areas affected by our operations include habitat of any critically endangered or vulnerable species as per IUCN red list and national conservation list. We also do not have any direct or indirect significant impact on the biodiversity of the geographical areas that we operate in.

CASE STUDY

Plantation of saplings around the facilities

Plantation of trees can act as carbon sink and help offset our carbon emissions. To protect our ecosystem, we take efforts to plant saplings in the nearby areas of the manufacturing facilities. The saplings are planted with tree guards and regular monitoring and maintenance is carried out to ensure they survive.

During the reporting period, we planted 84,646 saplings out of which 90% have survived.

Responsible Mining

With an increased focus on achievement of SDG 6 and judicious consumption of resource across the world, water management has evolved as a major challenge in global sustainability initiatives. At Shree Cement, water conservation has been at the forefront of sustainability initiatives. We adopted a multidimensional approach to conserve water which includes rainwater harvesting, restoring water bodies, and use of non-toxic chemicals in mines water harvesting pit to reduce the evaporation.

Earlier at Ras mines in Rajasthan, we used water tanker for sprinkling water for dust suppression. With the installation of automated water sprinkler along the permanent haul road of 1.5 km, we were able to save 178 KL water every day, and thus reducing overall water consumption.

Our prolonged approach for water management focuses on water conservation initiatives in and around the plant boundaries. With a commitment to give back to the communities and to secure water supplies without risking the local water systems, we constructed a rainwater harvesting pit in the mines of 13 lac KL capacity for improved water carrying capacity. Additionally, to reduce evaporation loss due to increased global temperature, we have started using bio-degradable chemical, EVALOCK, in mines water harvesting. This saves 30% water due to evaporation loss.

HUMAN CAPITAL

Our workforce powers our engine of productivity

Empowering people with value driven capabilities and skills to build the sustainable foundation

Our employees play a critical role in building foundation for a sustainable future. We have carefully designed policies, procedures and programmes aligned towards holistic development of our employees. This approach has helped us to secure 82 rank in India's best companies to work for 2021 survey conducted by 'Great Place To Work® Institute, India, putting us ahead of the curve.

Contribution to SDGs

- Good health and wellbeing
- Quality Education
- Gender equality
- Decent work and economic development
- Reduced inequality

Capitals Connected

Highlights, FY 2021-22

6,445
Permanent Employees

13,019
Contractual workmen

7.48%
Voluntary Employee Turnover Rate

89
'Great Place to work survey' score

1,35,244
Hours of Training and Skill Development

Associated Material Topics

- Non-discrimination
- Employee relations
- Human rights
- Occupational health and safety
- Training and development

Focus areas

- Employee health and wellbeing
- Promoting occupational health and safety
- Being a trustworthy employer
- Boosting employee performance

Inputs

- Employee Strength/Strong workforce
- Investment in Training and Skill Development
- Robust Health and Safety management system

Outcomes

- Ingrown leadership team
- Employment generation
- Employee Turnover rate
- Average hours of training and skill development
- Great Place To Work survey score

HUMAN CAPITAL

Human capital forms the core of our business operations. With a strong workforce of 19,464 people, we are committed towards building a sustainable foundation for our business. Our approach towards health and safety is governed by robust health and safety management systems, providing a safe workplace for our employees.

As a result of employee centric policies, we featured in top 100 companies in India in the Great Place to Work (GPTW) survey 2021. GPTW ranked us among the top 30 companies in the manufacturing and production sector for third consecutive year. We were also ranked among the best in cement and building materials sector. Owing to our continued excellence, we were awarded the 'Great Place to work – Commitment to being' Badge

Exhilarating our workforce

At SCL, our dynamic workforce is our strength and thus, we believe in providing equal opportunities to all, irrespective of gender, age, and place of origin. Following are the details of our diverse workforce:

Employee diversity during FY 2021-22

Employee Category	Male				Female				Grand Total
	<30 years	30-50 Years	>50 years	Total	<30 years	30-50 Years	>50 years	Total	
Senior Management	-	40	112	152	-	-	-	-	152
Middle Management	-	714	198	912	1	10	2	13	925
Junior Management	1,151	3,653	381	5,185	5	17	2	24	5,209
Workers (Permanent)	-	81	78	159	-	-	-	-	159
Total- Permanent Employee	1,151	4,488	769	6,408	6	27	4	37	6,445
Workers (Contractual)	4,731	7,487	617	12,835	3	136	45	184	13,019
Total	**5,882**	**11,975**	**1,386**	**19,243**	**9**	**163**	**49**	**221**	**19,464**

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

1:1.10
Ratio of Male to Female basic salary for Middle Management employees

1:1.02
Ratio of Male to Female basic salary for Junior Management employees

"We are invested in our human capital – through policies that empower and nurture, through training that stimulates and challenges, through a work environment that makes them feel they truly belong."

Mr. Sanjay Mehta
President (Commercial)

Permanent employees

All our permanent employees are of Indian origin. While majority of contractual workforce is from India, 30 of our contract men belong to Nepal.

In terms of gender diversity, we have 0.46% women in junior management position and 1.41% in women in middle management position.

We provide equal opportunities to all and have 5 employees who are differently abled.

Due to the exceptional support and the benefits that we provide to the employees, people do wish to join back to work with us. About 113 employees have joined us back since 2017 out of which 34 have joined in FY 2021-22 itself.

Our female employees are our most valued pool of talent. We provide maternity leave of six months to them. This ensures adequate caregiving by new mothers to their infants. During the reporting period, one female availed the maternity leave benefit, who would be joining back in the upcoming financial year.

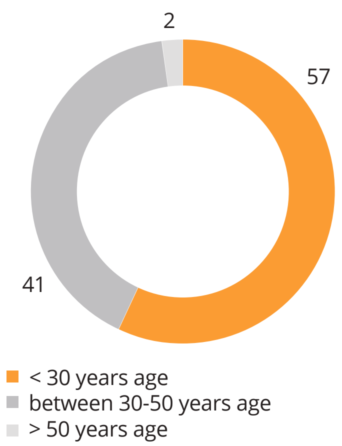
Encouraging new talent

Hiring talents with the right skills ensures the upkeep of an organisation and at SCL, we always welcome new talents to our team specially at junior and middle management level. We provide support to all our employees for their holistic development. The average hiring cost per employee is ₹ 6,065 per hire. The number of new employees hired during FY 2021-22 is provided in the table below.

Employees hired in FY 2021-22

Employee Category	Male				Female				Grand Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Senior Management	-	8	4	12	-	-	-	-	12
Middle Management	1	44	7	52	1	-	-	1	53
Junior Management	460	283	5	748	1	3	-	4	752
Total	**461**	**335**	**16**	**812**	**2**	**3**	**-**	**5**	**817**

Employees hired in FY 2021-22 (%)



HUMAN CAPITAL

Employee Separations

The voluntary and total employee turnover rate for our permanent employees during the reporting period was 7.48% and 9.79% respectively. The details of the separation have been provided in the table below.

Employee Separation during FY 2021-22

Age	Voluntary separations		Other Separations [Retirement & Death]		Total separations		Total employee turnover rate
	Male	Female	Male	Female	Male	Female	
<30 years	136	-	17	-	153	-	13.20%
30-50 years	330	1	45	-	375	1	8.32%
>50 years	15	-	87	-	102	-	13.19%
Total	**481**	**1**	**149**	**-**	**630**	**1**	**9.79%**

The employee turnover rate for our male employee was 9.83%, whereas, for our female employees was 2.7%.

Nurturing the wellbeing of our employees

We understand that individuals produce the best possible results when they have sound state of physical and mental health. Hence, the wellbeing of our employees and their families is our top priority. Along with a competitive remuneration, all our permanent as well as contractual employees are covered under 'personal accidental cover'. Health insurance is extended to the families of permanent employees as well.

State-of-the art health facilities are provided at our workplaces and in our townships which can be availed by our staff as well as local communities. Wellness Management Centers (WMC) are developed at all our locations with deployment of qualified healthcare professionals. These centers are equipped with facilities for spirometry test, X-ray, Audiometry tests, eye care, road accident care and annual health checkup, etc.

COVID-19 vaccination drive was carried out at all our locations in 274 sessions during year FY 2021-22.

During the year, as the pandemic hit the country, we took proactive measures to facilitate our employees connected with the workplace through our online platform SPARQ. This application facilitated all workplace related details, information and activities in virtual manner for our employees to continue working from home.

Apart from health benefits, some of the additional key benefits provided to permanent as well as contractual employees at all levels include Employees' Pension Scheme (EPS), Employees' Provident Fund Scheme (EPFS), and Employees' Deposit Linked Insurance Scheme (EDLIS) as a part of PF. The benefits also include bonus as per the Bonus Act, as applicable.

Our existing ERP (oracle) implemented in the year 2008 helps in employee management through inclusion of salary payments, production data capturing and reporting, sales and material distribution, accounting, logistics etc. A Contractor Labour Management System (CLMS) is being implemented across our company. During FY 2021-22, CLMS was integrated with the ERP at Ras and Suratgarh for functions including attendance approval automation, wages calculation and payment.

Performance development of employees

Our employees put exceptional amount of hard work for the development of our organisation. To encourage and motivate them to reach their goals and targets, we have introduced employee development programme through which employees obtain regular performance reviews. Our employees at all levels are encouraged to set Specific, Measurable, Achievable, Relevant, Time bound (SMART) goals on which they receive continuous feedback throughout the year. This enhances their performance and skillset. During FY 2021-22, 100% employees received performance and career development review.

With the continued support and guidance that employees received they have attained new sets of skills which helped them to take new responsibilities in the organisation. Due to these efforts, about 75 open positions could be filled by internal employees during the reporting year.

Human Rights

We follow practices that are ethically and lawfully sound. We believe in respecting the rights of every individual across all our operations and this is reflected through our policies, procedures, and ethics trainings. We thus, ensure that we do not engage in forced labour or child labour.

Our policy on 'Ethics, Transparency and accountability, and Code of conduct' provides guidelines on:

- Employees conduct at workplace that ensures securing the company's assets and confidential information
- Providing equal opportunities to all our employees irrespective of age, gender, cultural and educational bacKground, length of employment etc. and not tolerating discrimination on any grounds.
- Prohibition of any act of harassment that could result in a punishable offence.
- Business integrity, anti-bribery and anti-corruption norms are to be strictly practiced.
- Responsibility towards local communities and mechanism to fulfill the same.

We constantly strive to build awareness on human rights and transparency and thus, during the year we imparted 6,242 hours of training to 3,568 employees on 'Human Rights issues' covering around 55% of our employees. For ethics, transparency, and accountability 951 persons were trained with 1,876 hours of training.

We are in the process of developing human rights impact assessment framework to proactively identify and assess potential impacts and risks relating to human rights. Our Human Rights Due Diligence process is expected to be completed in the next couple of years.

Internal complaints committee

For the prevention, prohibition and redressal of sexual harassment and discrimination at workplace, we have formed the internal complains committee. The committee is chaired by the senior most woman member of the organisation and has four members. We comply with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were zero cases of discrimination during the reporting period.

Labour relations

All our wage board workers are covered under collective bargaining agreements which allows us to maintain amicable relations through a consultative

Zero Cases of Child Labour

Zero Cases of Sexual Harassment

process with them and their representatives. Accordingly, we have 100% coverage for permanent workmen (employed as per contract Labor Regulation and Abolition Act 1970) under three registered trade unions affiliated with their country-wide trade unions namely Bhartiya Shree Cement Karmachari Sang (BMS), Shree Cement Works Union (AITUC) and Rashtriya Shree Cement Mazdoor Sangh (INTUC). Because of maintaining cordial relations with all our union members, there were no strikes or lock outs for the reporting period. We provide a minimum eight weeks notice to our employees and their representatives prior to the implementation of significant operational changes (such as closure) that could substantially affect them.

Grievance mechanism

To enable employees to address concerns without any hesitation, we have introduced the 'Whistle Blower' Policy. The policy enables addressing any fraud, suspicious or unethical activity in the company. It enables anyone including employees, customers, shareholders, vendors to be whistleblowers, the one who can bring any issues to light. The process for addressing the concerns include writing a letter to the compliance officer.

Training and development

The hard work and skills that our people bring to our company is the key to our success. Thus, nurturing their talent and motivating them to succeed helps us to be on the forefront. Our training and development programmes help employees improve their skills and knowledge base.

To enable continued learning and prevent the hindrance caused during the pandemic, we launched an online learning initiative 'Shree STEPS' with support of learning platform 'Edcast' that enabled virtual trainings during the testing times. With the help of this programme, traditional classroom style learning was completely transformed to online training within 10 days of the onset of the pandemic. With the shift from classroom to online training we could witness a 59% increase in time spent on learning.

During FY 2021-22, we conducted 403 training programmes and provided trainings to our employees on

HUMAN CAPITAL

various topics ranging from health and safety, skill upgradation, human rights issues and policies, trainings on ethics, transparency, and accountability, etc. The table below provides details on trainings hours:

Employee category	Total training hours		Average training hours per employee		
	Male	Female	Male	Female	Total
Senior Management	4936	-	32.47	0	32.47
Middle Management	61091	1079	66.99	82.99	67.21
Junior Management	67421	525	13.00	21.90	13.04
Workers	192	-	1.21		1.21
Total	**133640**	**1604**	**20.86**	**43.37**	**20.98**

For upskilling our employees with latest market technologies, we have provided about 30,792 hours of skill upgradation trainings and out of which 383 hours of trainings were provided to female employees.

Occupational health and safety

Workplace is the second home of employees, and we believe that safe work environment is the right of every employee. Our commitment towards providing safe environment to all our permanent and contractual employees as well as visitors serves above all purpose. Thus, we have built a robust safety management system based on ISO 45001 standard, which is globally recognised practice for safety management. Our occupational health and safety management system consist of providing trainings, toolbox talks and mock drills to employees and contractors. We also conduct safety inspections and joint safety audits. We have envisioned a zero-harm work environment approach towards occupational health and safety. To reduce injuries, we have undertaken mission zero injury as a goal. We take various measures to achieve this goal such as imparting safety trainings, safety inspections and audits. We submit health and safety related details in our Board meetings on quarterly basis. We conduct regular independent external audit as well based on ISO 45001 standards to safeguard health and well-being at our workplace. Additionally, engaging activities such as contests and competitions help workers and employees understand more about occupational safety in a fun and interesting manner.

We provide medical benefits such as annual health checkups and health insurances to employees and their families. During COVID-19, we supported our employees with provisions such as special COVID-19 leaves. This leave could be availed if the employees themselves or their family members were tested positive for COVID-19. We also provided oxygen support when acute oxygen shortage was experienced during the second wave of pandemic. A special insurance coverage called 'Corona Kawach' of ₹ 2.5 lacs was introduced for all employees.

Furthermore, we have a structured onsite emergency control plan prepared in accordance with the Factories Act, 1948. This plan acts as a guiding principle to emergency procedures to protect plant, personal and general public, minimise damage to property and the environment and review accident after it has occurred in order to evaluate our efforts to improve emergency management response in the future.

Details of safety initiatives

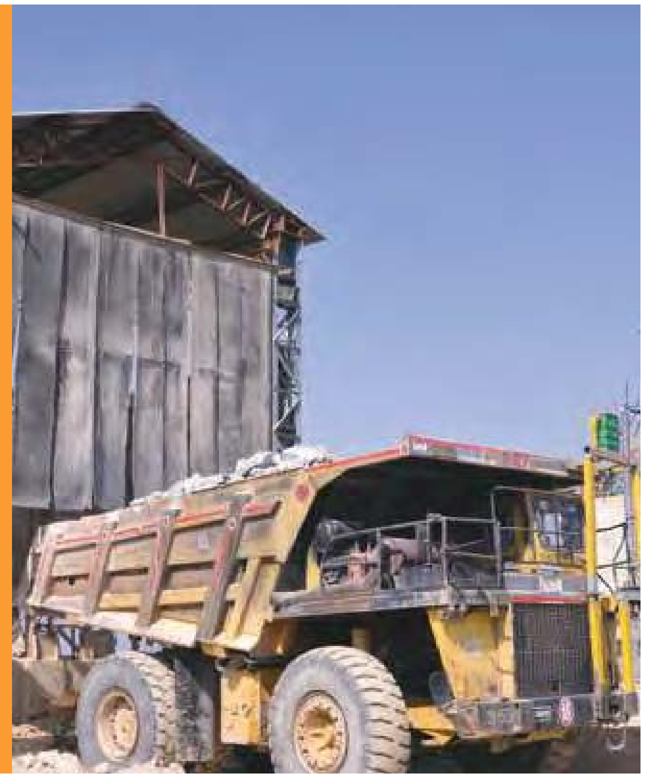
Truck driver Training	112 programmes 2,453 participants
Toolbox Talks	9,258 programmes 83,263 participants
No. of Joint Safety Audits Conducted	476
No. of Mock Drill Conducted	58
Safety Inspections by Safety Department	1,032

Improving safety of Komatsu Dumpers

Dumpers are an important equipment for unloading material on site. Dumpers are prone to creating safety hazards while the body is raised. Hence, Komatsu dumpers are provided with a safety feature that prevents them from moving beyond first speed with raised body. Yet this feature does not eliminate the possibility of hazards or accidents completely.

To overcome this safety hazard, we explored the automatic control system and came up with an innovative solution where the rare breaks would be automatically applied when the dumpers raised body. Till now, we have applied this system in three Komatsu dumpers and would install in all the dumpers on site.

With this installation, we have eliminated a major safety hazard and are proud to be the first to install this system.



We have Standard Operating Procedures (SOPs) for identification of work-related health hazards such as exposure to carbon mono-oxide, sulfuric acid, dust pollution, noise pollution, heat among others. The SOPs also provide remedial measures for each of the health hazards.

Safety audits were conducted by us at Beawar and Ras power plants by team of auditors from National Safety Council, Mumbai. The council conducted a detailed audit for the safety management system, fire protection system, work place safety of plant machinery & maintenance system storage facilities. Additionally, we also conducted safety audit for electrical power supply distribution including the entire plant and facilities.

HUMAN CAPITAL

Details of Employee safety for FY 2021-22		
Details	**Employee Safety details**	**Contractor safety details**
Total manhours worked	1,08,61,505	2,47,45,839
Safety training No. of Programme	105	796
Safety training Participants	2671	12,025
Lost time injury (in number)	1	14
Fatalities (in number)	1	1
Occupational disease case (in number)	-	-

As a corrective measure for the fatalities and injuries that occurred during the year, we have taken all the necessary initiatives to further strengthen our safety related aspects, so that such incidents do not reoccur.

The table below provides details about health and safety related trainings conducted during the reporting period.

Health and safety Training during FY 2021-22			
Employee category	**Hours of Training**		
	Male	**Female**	**Total**
Senior Management	198	-	198
Middle Management	3,256	71	3,327
Junior Management	11,898	83	11,981
Workers (Permanent)	7	-	7
Total	**15,359**	**154**	**15,513**

During the year, several initiatives were taken across various plants and units for occupational health and safety. Some of the celebration have been described below;

National Road safety week

Like each year, this year too we observed the 33rd 'National Road Safety Week 2022' from 11th Jan to 17th Jan 2022 at all our units to impart road safety training to our employees. The theme of the year was "Sadak Suraksha-Jeevan Raksha". We displayed banners, road safety posters, films and distribution of leaflets related to road safety. As an incentive to attend the programme, free medical and eye check-up camps were held. The programme motivated participants to wear helmets and seat belts and follow road safety norms.

National Safety Day

We celebrated the 51st 'National Safety Day' as the 'Safety Week' from 4th to 10th March, 2022. The theme for this year was "Nurture young minds – Develop safety culture". During this week, we organised several campaigns, activities and competitions to increase the awareness of people on industrial accidents and safety. Beawar unit won "State safety Award- 2022" for exemplary work done under areas related to safety, health and welfare of the workers in large scale industries category. State level competition was organised by Factories & Boiler Inspection Department Rajasthan in association with National Safety Council Rajasthan Chapter.

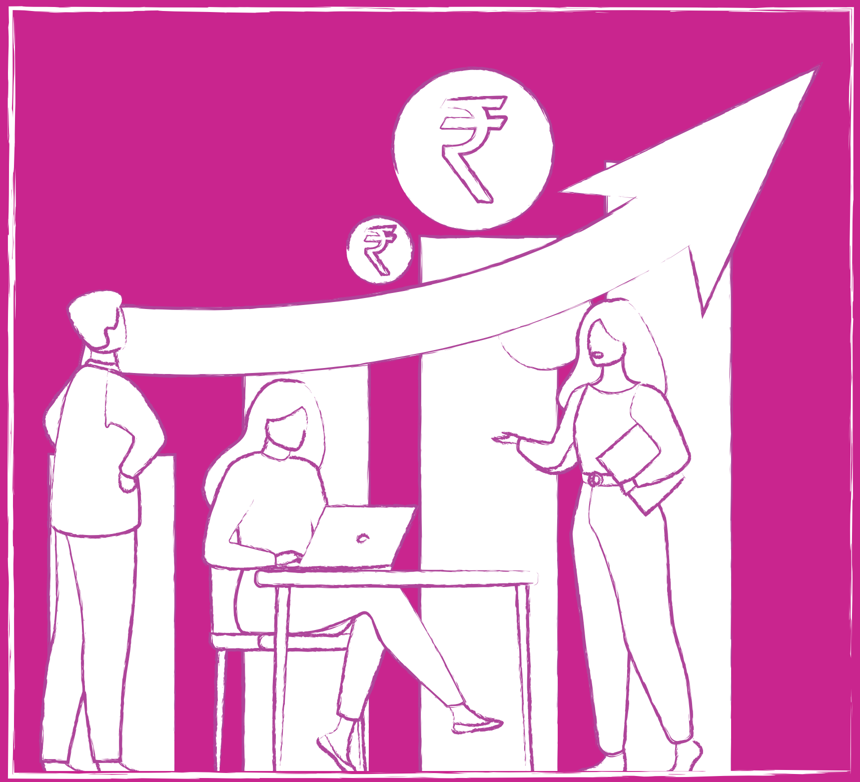
National Fire service day

Each year, all over the nation, 14th April is observed as 'National Fire Service Day' as a tribute to the brave fire fighters who lost their lives in the massive fire & explosion which occurred at Bombay Dockyard in 1944. Thus, all our units celebrated 'National Fire Service Day' on 14th April, 2021 following the theme "Maintenance of Fire Safety Equipment is Key to Mitigate Fire Hazards" which was directed by the Ministry of Home Affairs.

As a part of this programme, we organised a knowledge sharing session on fire prevention and fire fighting. Banners and posters on fire safety were displayed at strategic locations in all our plants. Through this programme, the knowledge and awareness about fire safety was enhanced among our employees.

FINANCIAL CAPITAL

Prudence, consistency, ambition - our key financial tenets.



Focusing on sustainable long term value creation for all our stakeholders

Financial Capital at Shree Cement is the combination of Shareholder's Equity and the Retained Earnings of the company which supports other capitals to serve our business purpose. Prudent capital allocation has been a constant area of focus for us, thereby creating long term sustainable economic value for all our stakeholders. This has helped us in serving our customers with the best quality products, earn a reasonable profit and distribute it amongst the shareholders in terms of dividend, contribute to the exchequer in the form of taxes & duties, and contribute to the betterment of society in which we operate through the CSR spend.

Contribution to SDGs

Decent work and economic development

Capitals Connected

Highlights, FY 2021-22

₹14,306 CRORE
Revenue

₹8,601 CRORE
Investments (Excluding investment in Subsidiaries)

₹4,185 CRORE
EBIDTA

₹86,711 CRORE
Market Capitalisation (as on 31st March, 2022)

₹90 /SHARE (900%)
Dividend (including final Dividend recommended)

17.2%
Return on Average Capital Employed

Associated Material Topics

Business Performance

Focus areas

- Continuous increase in Market Share by timely capacity expansion at low cost
- Cost efficient Cement production
- Robust operating Cash Flows

Inputs

- Shareholder's Equity
- Net debt zero i.e. cash positive

Outcomes

- Revenue from Operations
- EBIDTA
- ROCE
- Dividend
- Market Capitalisation

FINANCIAL CAPITAL

Our robust business model is backed by completion of capacity expansion(s) within the scheduled time frame, optimising production cost, providing the best-in-class products to our customers thereby gaining market share. The cash thus generated is used in the investment for next leap of growth.

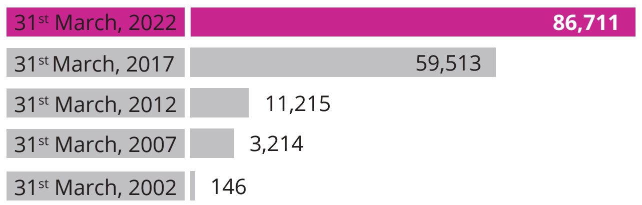
The result of the success of our lean business model and our continuous perseverance, is visible in the production capacity and revenue which has increased 3.4 times & 2.5 times respectively whereas our market capitalisation has increased 8.2 times in last 10 years.

As we look forward to our next leap of growth to achieve 80 MTPA capacity, the focus is on utilising the operating cash flows and maintaining a strong balance sheet with a minimum leverage. We continue to work on our path of prudent capital allocation for expanding cement capacity and clean energy initiatives to achieve sustainable growth for all our stakeholders.

Sustained value creation

Our shareholders have trusted us with their capital in our growth story throughout our journey. Thus, rewarding them with long term wealth creation has been our topmost priority. Our market capitalisation has grown from ₹146 Crore as on 31st March, 2002 to ₹86,711 Crore as on 31st March, 2022, implying a CAGR of 37.6% (excluding dividends) over the said period.

Market capitalisation (₹ in Crore)



Our aim is to maintain a healthy and growing dividend pay-out for rewarding our shareholders. From time to time, we also declare special dividend to distribute the profits. In FY 2021-22, we have declared a total dividend of ₹90/ equity share (including final dividend of ₹45/share of face value of ₹10 each which is recommended by the Board and is subject to approval of shareholders of the Company). In line with the dividend distribution policy, we aim to continue sharing the profits with our shareholders by way of consistent and regular dividend pay-outs.

Dividend (₹ per share)

Economic Value Creation* (Standalone numbers)

(₹ in Crore)

Particulars	FY 2020-21	FY 2021-22
Revenues from Financial instruments and other sources	433	537
Adjusted Revenues	15,185	16,692
Total Value Added**	**15,618**	**17,230**
Operating costs	7,192	9,071
Employee wage and benefits	760	807
Payment to providers of funds	245	593
Payments to government	3,964	3,551
Community investments	46	58
Reinvested to maintain and develop operations	3,412	3,150
Total Value Retained and Distributed	**15,618**	**17,230**

* Numbers have been regrouped/rearranged wherever necessary
** Revenue gross of taxes, duties, levies, etc.

Revenue growth via capacity expansion

Our production capacity has been growing faster than the industry recording a CAGR of 15.5% since last two decades. Our growth has been characterised by aggressive capacity expansion in record times and at lower than industry cost. We have also been successful in faster stabilisation of our new plants to achieve consistent production thereby increasing our return on investment.

During FY 2021-22, our revenue from operations increased by 13% from ₹12,669 Crore compared to ₹14,306 Crore in FY 2021-22. This was driven by cement sales volume growth of 4.7% over previous year.

We have a proven track record of growing organically via setting up of our own plants within the timelines and at a lower capex per tonne than industry. This has helped us in growing at an accelerated pace and earning a higher return on capital employed. The latest of the many such examples is our recently commissioned 4.0 MTPA brownfield clinker plant in Chhattisgarh at a cost of around ₹1,000 Crore. This unit will help us in augmenting the clinker supplies for our plants in eastern region and serve the robust cement demand. We were able to setup the plant at cost lower than the industry benchmark. In addition to this, the plant was commissioned 6 months prior to the set timelines. This achievement was made possible because of well experienced project management team, faster decision making, robust project monitoring, innovative practises involving support to our vendors and contractors. We have also commissioned commercial operations of clinker grinding unit of 3.0 MTPA capacity at Patas in Pune district of Maharashtra. Commissioning of this unit was delayed due to COVID-19 and Right of Way issues.

Additionally, during the year, we announced the following capacity expansion:

- A grinding unit of 3.0 MTPA in Purulia, West Bengal at an investment of approximately ₹750 Crore via our subsidiary Shree Cement East Private Limited (SCEPL).
- An integrated cement plant of clinker capacity 3.8 MTPA and Cement capacity of up to 3.5 MTPA in Nawalgarh, Rajasthan at an investment of approximately ₹3,500 Crore.
- Solar power plants having capacity up to 106 MW at various locations at a capex of approximately ₹500 Crore.

The above capex is spread over the next two years and will be mainly funded via our internal accruals. After the commissioning of these plants, our cement capacity in India will increase to 52.9 MTPA.

FINANCIAL CAPITAL

Operating Margins through cost efficient operations

Our EBIDTA margin stood at 29% in FY 2021-22 compared to 35% in FY 2020-21, implying a margin compression primarily due to the sharp spike in cost of pet coke, coal and diesel during the year. We expect the industry to see some respite from input cost inflation from second half of FY 2022-23 onwards.

- **Usage of Alternate Fuel (AFR):** In line with our strategy of building a sustainable business, we enhanced the quantity of alternate fuels within total fuels consumed from 6.0% in FY 2020-21 to 9.8% in FY 2021-22. By using the industrial waste of other industries, we not only try to bring down fuel cost, but also lower our carbon emissions, thereby protecting the environment.
- **Multi Fuel Kilns:** All our plants have multi fuel kilns and can switch to the most economical fuel in a short period of time. While the price of pet coke was rising sharply, we replaced it with Imported coal from Australia and other countries which led to savings in fuel cost.
- **Use of Synthetic Gypsum:** We are the pioneers in manufacturing our own synthetic gypsum from the limestone waste which is used as a replacement for natural gypsum leading to savings in raw material cost.
- **Investment in Renewable Energy:** Our allocation of ₹500 Crore to setting up of solar power plants having capacity 106 MW will further enhance the proportion of clean energy usage in our total energy consumption. The same will reduce the fossil fuel consumption and help us in reducing carbon footprint. We also reap considerable savings in power cost from our huge WHR capacity.

Strong Branding: Our continued thrust on improving our product portfolio has helped us emerge as the most preferred brand among peers. This brand equity along with timely availability of our products in the market ultimately contributes to the profitability of the company. Our premium brands 'Roofon and 'Bangur Power' continued to get encouraging response from the market and in FY 2021-22, they contributed 6.1% of the overall sales volume.

Robust cash flows leading to Strong Balance Sheet

Liquid Investment and cash and cash equivalents in our balance sheet stood at ₹8,617 Crore as on 31st March, 2022, thereby reflecting robust liquidity. We maintain a small proportion of gross debt in our balance sheet, which stood at ₹1,694 Crore as on 31st March, 2022. We end FY 2021-22 as a Net Debt Free company with positive cash of ₹6,923 Crore.

As a policy, we hedge all our foreign currency exposure to mitigate risks arising from volatility of fluctuating currency rates. This has inter alia helped us to remain competitive, certainty of results and improve profitability.

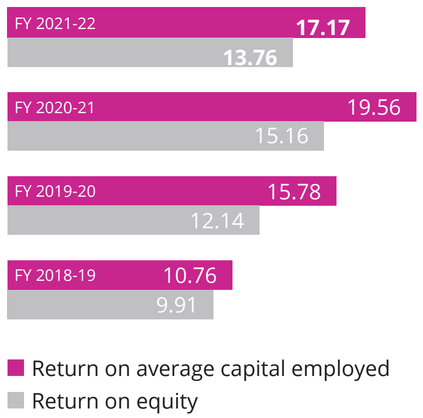
We have been reaffirmed with CRISIL AAA/ Stable and CRISIL A1+ ratings in respect of long-term and short-term bank loan facilities taken by us. Similarly, CARE another rating agency has assigned, CARE A1+ rating for our commercial paper issuance. It has also re-affirmed its highest issuer rating of CARE AAA (Stable) for our long term bank facilities and CARE A1+ for our short term bank facilities, indicating our high capacity to fulfill our financial obligations to all issuers.

On the back of our strong balance sheet, we have been able to negotiate best possible borrowing rates for our commercial paper issuance whereas our long term surplus funds were parked at higher returns, thereby further consolidating our working capital position. Similarly, for our upcoming expansion of solar power plants, we have successfully raised funds at lowest possible interest rates thereby further improving the return on investment of these projects.

Return Ratios

With our continued focus on faster project execution at the lowest capex cost and our cost leadership qualities, we generate robust Returns on Capital employed. Despite significant rise in input and fuel cost, our RoCE remained at a healthy level of 17.2% in FY 2021-22 as well as Return on Equity was also maintained at 13.8%.

Return Ratios (%)



In our quest to grow to 80 MTPA capacity by 2030, we will use our cash balance along with strong operating cash flows to further invest in capacity enhancements.

We are quite confident that given our cost leadership capabilities, prudent capital deployment and strong liquidity position, coupled with the government's focus on infrastructure development, we will be a key beneficiary of India's growth journey over the next decade.

> "Zero debt, high returns on surplus funds, long-term hedges on foreign currency exposures have placed us on a strong wicket in a year that has seen unprecedented economic volatility, This robust position has strengthened our financial profile."
>
> **Mr. Subhash Jajoo**
> Chief Finance Officer

SOCIAL AND RELATIONSHIP CAPITAL

Helping to build a future that matters

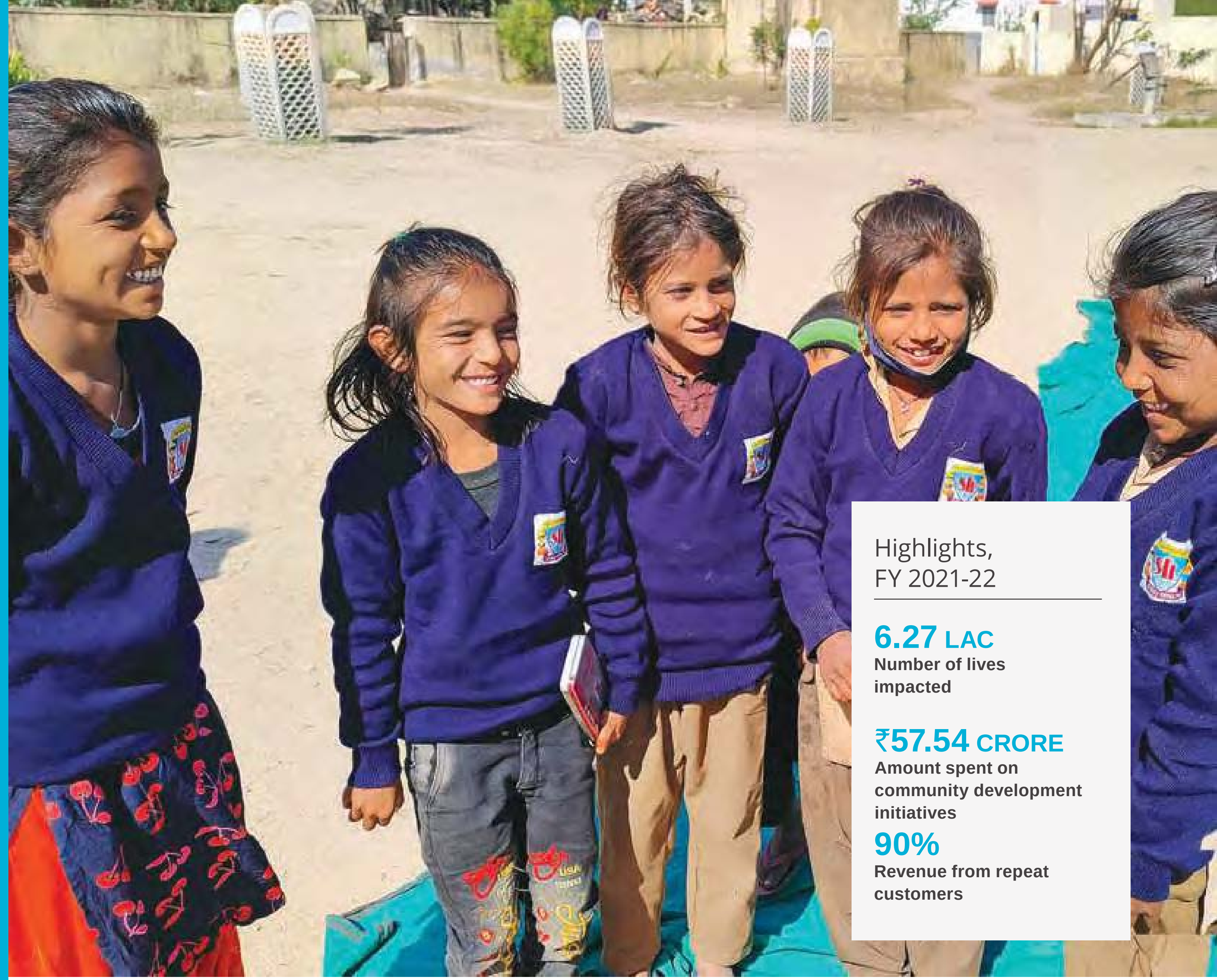
Laying the foundation for strong and sustainable relationships that help us grow.

Local communities provide the social license for operation of business. Since our inception, we have developed trustworthy relationship with local communities, suppliers, and customers. With our growth over last three decades, our value chain has spread across different geographies involving multiple stakeholders. We have a robust stakeholder engagement mechanism wherein we engage with communities, customers and supply chain partners to building strong, transparent and trust based relationships with them.

Contribution to SDGs

- No Poverty
- Zero Hunger
- Good health and wellbeing
- Quality Education
- Gender equality
- Clean Water and Sanitation
- Decent work and economic development

Capitals Connected



Highlights, FY 2021-22

6.27 LAC
Number of lives impacted

₹57.54 CRORE
Amount spent on community development initiatives

90%
Revenue from repeat customers

Associated Material Topics

Business Performance
Community development
Resettlement and rehabilitation
Customer satisfaction
Supply chain

Focus areas

- Partnering the local community in development
- Connecting with our customers
- Creating long-term relations with our suppliers

Inputs

- Investment in Community development initiatives
- Dealer Base
- Depot strength
- Collaborations and Partnerships

Outcomes

- Lives touched
- Suppliers assessed on ESG criteria
- Sustainable procurement
- Customer satisfaction score

SOCIAL AND RELATIONSHIP CAPITAL

Community consultation framework

Communication with stakeholders → Assessment of needs and requirements → Designing of a suitable programme as per the identified requirements → Implementation of the programme identified → Programme monitoring and implementation → Impact assessment of material interventions

Community consultation framework

We follow community development strategy with initiatives interlinked to our long term objectives for sustainable development. Our business and economic growth has always complimented community development. Our community development interventions are guided and monitored by a Board level committee headed by an Independent Director. For monitoring the CSR activities at the ground level, we have dedicated CSR teams which work in tandem with the local communities.

Our business objectives are aligned with the community development objectives of creating value for all. Thus our interventions related to Corporate Social Responsibility (CSR) are focused on thematic areas such as Healthcare, Water supply and sanitation, Environmental Protection, Art and culture, Rural Development and sports, Education, Gender equality and Women Empowerment, Sustainable livelihood, Support to veterans of armed forces and war widows.

Our process for community engagement starts with needs assessment. We take timely feedback from the local community to know their concerns and ensure that are activities are aligned towards fulfilment of their needs. We also carry out impact assessment to estimate impact of our initiatives and take feedback from the community on a regular basis. During the reporting period, there were zero cases of violation involving the rights of indigenous people.

Responsibility towards community

We are cognisant of the impact we have on the society, and we take steps to ensure community is adequately supported. We have identified the following thematic areas for our CSR activities.

Key thematic areas of CSR activities

Thematic area	Amount spend in FY 2021-22 (in ₹ Cr)
Healthcare, Water, Sanitation and hygiene	5.10
Rural and community infrastructure development	23.53
Environmental protection	1.90
Culture and arts promotion	13.39
Women empowerment and support to old age & needy	3.39
Education and sustainable livelihood	6.81
Promotion of sports	0.33
Support to war widows and dependents	0.31
CSR overheads	2.78

We were able to positively impact lives of more than 6.27 Lac people through our community development initiatives during the reporting period.

Our engagement with the community

To create a positive impact on the local communities where we operate, we have undertaken several initiatives.

Educating the community for a better literacy

Education builds a strong social foundation for the community. To strengthen the core social structure of our communities, we have undertaken educational drives under the following initiatives:

Quality Education

- We try to improve the quality of education in government schools by providing basic infrastructure and facilities including construction of classroom, upgrading facilities, providing study materials, uniforms, etc. We regularly facilitate schools with teachers based on assessment of student teacher ratio.
- To improve the digital hold of the local communities, we have established computer learning centers.

Inclusive Education

- Under ‘Shree Ki Pathshala’ initiative, we provide tuition classes to students appearing for 10th standard board exam.

Promotion of heritage literature

- Through implementing partner Education For All Trust, we undertake Project Muskan to popularise heritage literature and culture among young children nationwide by weaving it into formal and informal education through student activity.

SOCIAL AND RELATIONSHIP CAPITAL

Sustainable livelihood

Our initiatives for improving the livelihood of the local communities are focused on agricultural as well as non-agricultural activities.

Agricultural initiatives

Agricultural initiatives are further classified on skill development and yield improvement.

- We help farmers to improve their skills by organising visits to nearest Krishi Vigyan Kendra.
- To ensure improved yield, we provide agricultural tools, high-quality seeds and fodder cultivation seeds for livestock farmers.

Non-agricultural initiatives

- We encourage the practical knowledge enhancement of students by providing internship opportunities to students from IITs and IIMs.
- Similarly, ITI passed out students get vocational training in the nearby mines.

Healthcare

We provide healthcare facilities to our local communities through our Wellness Management centers (WMC) as well as through the organising health camps. Our health initiatives are focused on areas such as COVID relief, health benefits to new mothers & their babies and cleanliness and hygiene programmes.

COVID-19 Relief

- We took initiative to fight against COVID-19 by establishing COVID care center near our facility in Karnataka at Sedam, and distribution of COVID essentials such as masks, sanitizers, medical kits, medicines, etc. in the nearby communities.
- From our in-house oxygen plants in facilities at Ras (Rajasthan), Baloda Bazar (Chhattisgarh) and Kodla (Karnataka), we refilled oxygen cylinders of government hospitals on free-of-cost basis.

Health care for new mothers

- Under project 'Mamta', we organise regular health checkups for pregnant women and new mothers and infants.
- We organise medical camps for pregnant women to guide them regarding medicines and diet, vaccination during pregnancy.

Hygiene, cleanliness and water

- Through our 'Shree Swachhata' project, we try to increase awareness about cleanliness and hygiene through awareness campaigns where we distribute dustbins, diaries with cleanliness slogans on it and celebrating cleanliness weeks.
- We have undertaken water supply activities by constructing public water huts, bore wells and distribution of RO water facility to remote villages during peak summers.

SOCIAL AND RELATIONSHIP CAPITAL

Women empowerment and skill development

Women empowerment plays a key role in development of the society and thus we have taken initiatives around three focus areas to improve the status of women in society:

Vocational training for Women

- We support rural women by providing them training on income generation activities such as beauty parloring, sewing & tailoring, hand embroidery, carding and spinning, pickle and sauce.

Shree Shakti Project

- Under this project, we encourage the formation of self-help groups (SHGs) of women from rural communities. Women from these groups create a corpus for themselves and take financial assistance from institutions to undertake entrepreneurial activities.

Improving the status of girl child in the family

- Girl deserves equal respect in the family and we support girls of rural communities by providing housing essentials like bed, mattress, utensils, and more to girls above the age of 18 who are getting married.
- We also provide a ₹ 5,000 Fixed Deposit at the time of birth of girl child which they can encash on attaining the age of 18.

Community infrastructure and rural development

Development of infrastructure such as roads and transport connectivity lead to the overall development of a locality or region. We undertake projects for developing and improving infrastructure in the vicinity of our operations as mentioned below.

- We carry out construction, repair and upgradation of community assets such as Gram Panchayat building, drains, community centers in villages, community toilets, stages, waiting stands and sheds, etc.
- We build water reservoir pots for animals in public places.
- We have constructed and repaired roads in nearby villages for smooth and safe commute.

Support to veterans of armed forces, war widows and their dependents

As a respect to martyred soldiers who sacrificed their lives for the nation, we have launched 'Project Naman'. Under Project Naman, we support dependents of martyred soldiers by providing cement to build their homes.

Social welfare and promotion of art and culture

Preserving the local arts and crafts is an essential component of local cultural development. We have undertaken the following social welfare projects for promotion of local arts and culture:

- Support to institutions for organisation of events that enable artists to showcase their talent in the field of painting, music, theatre, local folk, literature, poetry etc. and promote the same in masses.
- Organisation of fairs and events that help showcase Indian traditional art forms and promote social harmony.
- Contributed for preservation, construction, maintenance and upgradation of sites of historical importance/ local history and ancient tradition

SOCIAL AND RELATIONSHIP CAPITAL

Promotion of sports

We believe in the overall development of students and young people and thus inculcate habit and encourage sports with the following interventions:

- Supporting district sports association in organising various sporting events.
- Support in construction and renovation of sports club and stadiums and sporting facilities.
- Organising sporting events in schools for students and distributing sports equipment to the needy.

Environmental sustainability

Environment protection of the surrounding areas of our operations is our top priority along with sustainable operations. Our primary intervention in this field is development of green cover for which following initiatives were taken:

- Distribution of plant saplings among farmers for plantation to cover the open areas and development of green belt Provision of plant saplings for growing fruit bearing plants, hybrid vegetable crop seeds and in-house tree guards.
- Conducting school plantation programmes to encourage students to plant saplings.
- Conducting mass tree plantation activities in association with govt. administration plant saplings to develop green belts in nearby areas.

CASE STUDY

Fighting Corona with Oxygen

During the period of March to June 2021 when the second wave of COVID-19 hit India, the entire nation was suffering with acute shortage of oxygen impacting the lives of thousands. At this point in time, we decided to be a corona warrior and stood to serve the nation. Our employees worked relentlessly and operated our in-house oxygen plants beyond capacity to uninterruptedly produce oxygen and refill oxygen cylinders for government hospitals on free of charge basis. About 36,000 oxygen cylinders were re-filled from all oxygen plants at Ras, Balodabazar and Kodla facilities during year FY 2021-22. Apart from this, we provided our own oxygen cylinders to the government hospitals.

Relating with our consumer needs

At SCL, we have stringent guidelines, procedures, and well-structured mechanism to meet the expectations of our customers. We have served our customers for over three decades now and with their satisfaction level appearing today, we can endorse of having a strong customer base. Our revenue from repeat customers during FY 2021-22 is 90% of total revenue. We also take all precautions to ensure customer privacy and resultantly there have been zero instances of breach or loss of customer data during the reporting period.

Customer Satisfaction Score (%)

FY 2021-22	85
FY 2020-21	80

Revenue from repeat customers (%)

FY 2021-22	90
FY 2020-21	85

Value creation at a glance

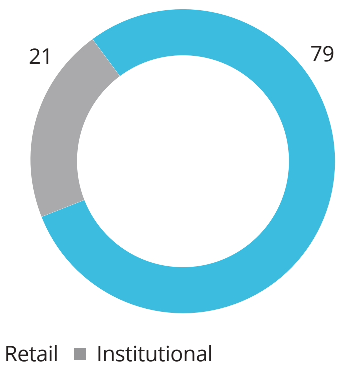
Advertisement and publicity spent in FY 2021-22	**₹ 142.83 Crore**
Total number of dealers as on 31st March, 2022	**30,672**
Total number of depots as on 31st March, 2022	**1,156**

Focus areas for customers

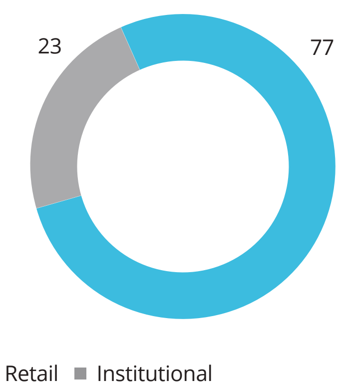
The four primary focus areas for customers are as follows:

- On time and quality delivery of products
- Environmental sustainablity of the product to accomplish sustainablity goals
- Guidelines for efficient use of the products
- Timely acknowledgement and resolution of feedback and complaints

Customer Segment FY 2021-22 (%)



Customer Segment FY 2020-21 (%)



SOCIAL AND RELATIONSHIP CAPITAL

Leveraging power of social media

To connect to our customers, business partners and other stakeholders, we have expanded use of social media and created campaigns on contemporary and relevant topics. Our campaigns have been appreciated and widely shared by users across various social media platforms. Following are the glimpses of the campaigns conducted by us.

Our Brand Catalogue

Our brands 'Shree Ultra Jung Rodhak', 'Bangur Cement' and 'Rockstrong' have, over the years, established a firm presence in the minds of people as a quality product with easy availability. To penetrate and serve the niche segments, we introduced 'Bangur Power' and 'Roofon'. We have been receiving amazing responses from our targeted customers and have quickly been able to fill the gaps in customer needs in our catchment area.

Bangur Power – A premium offering

Bangur Power, a premium grade cement, has met immediately with strong market acceptance in the market. It has continued its upward swing ever since its launch. This strong traction was driven by our already established brand reputation supported by our deep distribution network.

Roofon – Niche offering

Roofon is a niche category cement for building inner strength in house. It has succeeded in filling the long standing customer need for a cement specifically catering to the long lasting strength requirements of their roofs.

"We remain close to our customers for they are always the truest voice. Providing insights into what is most needed, what is evolving... Capturing their wisdom and carrying it back within is the surest way to remain ahead."

Mr. Diwakar Payal
President (Marketing)

SOCIAL AND RELATIONSHIP CAPITAL

We have well defined checks in place to ensure that all our products match the quality standards of 'Bureau of Indian Standards'(BIS). To ensure that our products do not have any negative impact on the health of the customers, we have identified Material Safety Data Sheet (MSDS) that can help identify potential health risk and keep them at minimum level. We also regularly monitor environment and health attributes including water, energy, emissions etc. from cement production to reduce any adverse impact. There were no incidents of non-compliance related to product labeling or health and safety from our products in FY 2021-22.

Establishing Connections for the Future

To ensure the delivery of our products in the assured quality and to avoid wastage of product, we have undertaken several initiatives, some of these initiatives are listed below:

Improving packing quality with LPP bags

Cement is generally packed in woven bags that leads to spilling and wastage. This also results in cement blowing in air affecting the ambient air quality. We thus, pack all our products in Laminated Poly Propylene (LLP) bag. LLP bags ensure that no product is spilled thus preserving the ambient air quality and avoidance of wastage of product.

Efficient use of cement by masons

Masons form the backbone of the construction industry and are actual users of the cement. We, thus, train masons on optimal use of cement during construction to avoid wastage of product that eventually results in conserving precious limestone used in the production of cement.

Shree Technical awareness Van

Shree Technical Van is an innovative programme launched by us for improving the quality of housing. Van has several facilities such as sample of good and bad quality materials, molds for casting and testing materials. The van travels to locations that are situated at far end distances. A qualified civil engineer accompanies the van and demonstrates people and masons on construction of houses with optimal use of resources.

Digital initiative to bring all influencers under one roof

After extensive survey and market research, we have developed a mobile app namely 'Nirman Mitra' for bringing the influencers like masons, contractors, architects, retainers, etc. under one roof. This app is being used for running engagement programmes for these influencers across the market under operation. In this app, more than 3.5 Lac influencers are registered and out of which, more than 25% are participating in our various schemes on regular basis. After its development, we launched a quantity based scheme for them which kept them engaged with us. This resulted in spike in sales from the counters of our dealers and retailers and the network's confidence enhanced in our brand.

Sustainable Supply Chain

The sustainability of cement begins at the stage of selection and procurement of input materials and services. Thus, a timely supply of input materials, in good quality gives an edge for business operations. The relationship that we have built with our suppliers, service providers, contractors and transporters over the past three decades helps us in operating our production cycle in a timely and efficient manner.

We believe in community development and mutual upliftment and thus, procure most of our raw materials from local businesses. Indigenous raw material and store & spares consumption during the reporting period was 99% of the total raw material and stores & spares consumption. We have a vendor code of conduct that defines minimum standards of ethical and responsible behaviour which must be met by them. This is applicable to all our manufacturers and suppliers covering various environment and social parameters such as human rights, forced labour, child labour, safe and hygienic working conditions, fair competition and anticorruption, corporate social responsibility and more. This ensures integration of environment, social and governance criteria in the supply chain management.

For ensuring environmental sustainability, we strongly encourage our existing suppliers to undergo environment and social impact assessment while selected new suppliers are assessed through third party to understand their processes, strengths, and capabilities before onboarding. During the reporting period, six new suppliers were screened on the basis of various environment and social parameters. We give preference to new vendors and suppliers who comply with all environmental and social assessments. During FY 2021-22, we have onboarded all our 817 new suppliers within stores category through our robust onboarding agreements. We did not identify any negative environmental or social impact in our supply chain.

To build upon a sustainable supply chain, we are also working closely with our critical suppliers. For us, critical supplier is the one with whom the annual business is more than ₹ 5 Crore in previous year or the vendors who are supplying the product for which they are the only / major source. During the year, we have identified 68 suppliers as critical suppliers under stores category.

CASE STUDY

Replicating success stories, achieving efficiency

For transfer of clinker to our Patas grinding unit from clinker plant at Kodla, the transporters started using 14-wheeler trucks as prevalent and available in the region. 14-wheeler trucks have carrying capacity of ~40 MT. In our manufacturing facilities situated in Northern India, 22-wheeler trucks are used that have capacity of ~55 MT. Thus, the 22-wheeler trucks have greater efficiency compared to 14-wheeler trucks as prevalent in Southern India. To replicate the efficiency of our Northern India plants, we encouraged transporters engaged with North units with 22 wheelers truck to operate in Kodla to Patas as well. From this encouragement and opportunity to work with us, the transporters started operating in that region as well with 22-wheeler trucks which resulted in optimising the freight by utilising higher capacity and fuel efficiency. It ended up being 'win-win' for us and the transporters.

SOCIAL AND RELATIONSHIP CAPITAL

CASE STUDY

Continuation of uninterrupted supplies in Delhi Market by CNG Trucks

At time, particularly in winters, with soaring pollution in Delhi, the government bans plying of diesel vehicles from time-to-time including imposition of heavy tax/ charge at the time of entry. This hinders our ability to serve our customers through road transport during such period. Delhi has been our key market with lead of 60-70 KM from our Khushkhera grinding unit. To continue serving this market, we converted 100% of our small vehicles on CNG through encouragement and demonstrating the cost-benefit analysis. This again resulted in 'win-win' for both us and transporters. The transporters could use their vehicles which otherwise could have been stuck due to ban and, we were able to serve our customers without any interruption. This proved an environment friendly solution vis-à-vis conventional transportation.

Shifting road transport to rail transport to save cost as well as reduce emission

Regular availability of vehicles is a common challenge for our Eastern India operations. Also, the vehicles available are mostly of low capacity vehicle. This results in un-economical inter-unit clinker movements in the region compared to other operational geographies of the company. Also, low capacity vehicle result in higher scope 3 emission compared to higher capacity vehicles. To negate this, we decided to shift to rail transport by assuring them guaranteed traffic throughout the year. Sensing the potential, Railway authorities also allowed us applicable discount under Station-to-Station (STS) scheme. This has resulted in cost-efficient inter-unit clinker transfers as well as low carbon emission compared to road transportation.

Our key Associations

We have been engaging with several reputed agencies for discussions related to employees, business partners, climate change, global warming and sustainable business development, communities and other the relevant topics. Some of our key associations are as follows:

- Cement Manufacturing Association (CMA)
- Confederation of Indian Industry (CII)
- Bureau of Energy Efficiency (BEE)
- National Council for Cement and Building Materials (NCCBM)
- Global Cement Concrete Association (GCCA) (national and global membership)
- The Energy and Resource Institute (TERI)
- Global Reporting Initiative (GRI)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Technology and Action for Rural Advancement (TARA)
- Indian Institute of Technology (IIT) Delhi

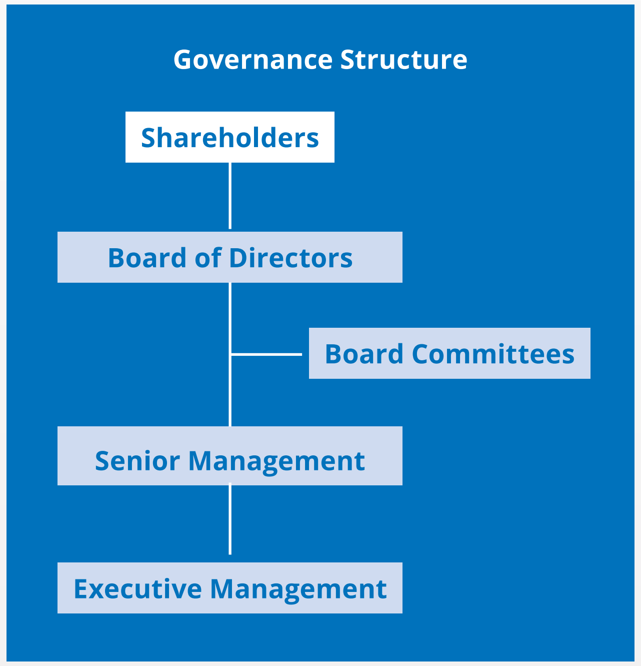
GOVERNANCE

Mainstreaming our development through Governance

Corporate governance for us is pivotal to drive our growth and development. It acts as catalyst to realise our vision and mission across the organisation and implement set of process and procedures of achieving our goals. Since our inception, we believed in adopting good governance practices for fulfilling our vision and mission.

Guiding principles

Our guiding principles are defined by the vision, commitment, expectations and responsibilities to progress continuously towards our goals. We believe in being utmost accountable to our stakeholders by maintaining transparency and following an ethical code of conduct. This governs our relationship with stakeholders to climb the continuous trajectory of growth and development.



Responsible governance structure

We follow a formalised structure for decision making, ensuring accountability for all our activities. We have integrated sustainability considerations in our structure and decision making process. In the structure, our Board of Directors is at the helm having overall responsibility of setting the vision and provide overall leadership and guidance to achieve them. Our Board of Directors bring an array of experience to the table ranging from expertise in construction material, cement, risk and others. This helps in bringing a diverse range of ideas. Currently, we have 9% females in the board of directors. We work with a purpose to ensure that we fulfill our commitment to all our stakeholders. The execution of the objectives is streamlined through the committees comprising the board members and senior management personnel.

Ethics and Values

We believe in the principle of trust, which can be derived through ethical practices, transparency, and accountability to stakeholders. This philosophy is embedded in our DNA in alignment with our vision of being a leader in creating prosperity and happiness for all stakeholders through innovation and sustainable practices. Our policy on Ethics, Transparency and Accountability and Code of Conduct imbibes our values and ethics and provide set of procedures of ethical and transparent conduct of business.

There were zero cases of corruption and bribery during the reporting period.

Conduct at workplace

- Protecting company's assets and properties
- Protecting confidential information
- Non-discrimination and equal opportunities
- Health and safety
- Prohibition on threats or acts of violence or any form of harassment

Integrity in business practices

- Compliance of applicable laws and regulations
- Fulfilling contractual obligations
- Maintaining business integrity, avoiding conflict of interest
- Zero tolerance on bribery and corruption
- Accuracy of records and information

Conduct for the community

- Protection and care for environment
- Respecting human rights
- Continuous engagement with stakeholders and communities
- Active in public policy advocacy

Curator of stakeholder's assets

At SCL, we believe that our priority is to upkeep the trust that our stakeholders have bestowed upon us with their funds and assets. This trust has been the stepping-stone of our growth and belief to always keep creating value for them. Our Initial Public Offering (IPO) launched in the year 1985 has given an Internal Rate of Return (IRR) of 25.6% till 31st March, 2022 which suggests that ₹100 invested in 1985 have a value of approx ₹4.60 Lac in year 2022.

Our dividend payouts have continuously increased since the year 2000 and the return on average capital employed for FY 2021-22 stood at healthy 17.2%. We owe this success to the hard work put across by our employees at all levels along with our managerial persons, board of directors and governing body.

Transparency and walking the talk

We are regarded as one of the lowest cost and most efficient cement manufacturers in the industry and we constantly try to keep that mark up. The faith and trust reposed by our stakeholders has stemmed from our ability to clearly communicate our vision to our stakeholders and ability to 'walk-the-talk' on the same. We have always adhered to high level of corporate governance practices and have been impeccable in our conduct. In terms of performance, we have completed majority of our projects within/ ahead of time and budget thereby delivering high return on investment for our stakeholders. Recognising the same, India's top rating agency CRISIL has reaffirmed its highest rating of CRISIL AAA/ Stable and CRISIL A1+ for long term and short term bank facilities taken by us. Similarly, CARE another rating agency has assigned, CARE A1+ rating for our commercial paper issuance. It has also re-affirmed its highest issuer rating of CARE AAA (Stable) for our long term bank facilities and CARE A1+ for our short term bank facilities, indicating our high capacity to fulfill our financial obligations to all issuers.

We keep close communication with our stakeholders through Annual and Sustainability Reports. Our Annual Report FY 2020-21 was shared with shareholders in the month of July 2021 while our Sustainability Report FY 2020-21 was released in January 2022.

Climate change and Governance

Our Board of Directors have the overall responsibility of guiding and steering the climate vision and set up procedures & systems to conduct the operations in adherence to its vision.

The Environmental, Social and Governance (ESG) Committee has the primary responsibility to implement environment friendly interventions across our operation and undertake activities to ensure commitment to the society and formulation of effective governance mechanism to conform compliance to applicable regulations. The committee consists of Senior Executives who carry continuous monitoring and implementation of our policies. Our remuneration policy considers sustainability performance of our company while determining the remuneration of the Working Directors, Key Management Personnel and Senior Executives. This further ensures and motivates implementation of the various sustainability initiatives that we undertake.

To ensure compliance with applicable laws and regulations including related to environment and climate change, Corporate Social and Business Responsibility (CSBR) Committee of Board along with ESG Committee monitors and reviews compliance requirements specified under various legislations.

GOVERNANCE

Board of Directors

B.G. Bangur
Chairman

Mr. B. G. Bangur is B.Com. (Hons) from Calcutta University and he brings to Shree an extensive experience of the Industry. He is Director in The Marwar Textiles (Agency) Pvt. Ltd., Shree Global FZE, Shree Enterprises Management Ltd., Shree International Holding Ltd., Union Cement Company (Pr.JSC), Ansh Trading DMCC, Ansh Investment Limited and SCL Investment Corp Pte. Ltd. He has also been actively associated with various philanthropic and charitable institutions and trusts.

H.M. Bangur
Managing Director

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

Prashant Bangur
Joint Managing Director

RMC
CSBR

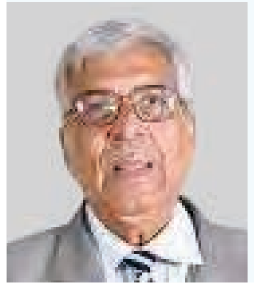
Mr. Prashant Bangur is a graduate from the Indian School of Business, Hyderabad. He joined Shree Cement in 2004 and since then has been involved in all strategic, policy and operational matters of the Company. He has been providing critical insight and direction in all management decisions in the Company.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

R. L. Gaggar
Independent Director

SRC
NRC
AC

Mr. R. L. Gaggar is a B.A. (Hons) from Calcutta University and is a renowned Solicitor and Advocate based at Kolkata. He is practicing as a Solicitor and an Advocate at the High Court of Kolkata for more than 50 years. Mr. Gaggar is also on the Board of Duroply Industries Limited (Formerly Sarda Plywood Industries Ltd), TIL Limited, Paharpur Cooling Towers Ltd., Sumedha Fiscal Services Ltd., Machino Polymers Ltd., Subhash Kabini Power Corporation Ltd., International Combustion (India) Ltd. and Machino Polmers India Pvt. Limited.

Dr Y. K. Alagh
Independent Director



SRC
NRC
AC

Dr. Y. K. Alagh is a noted economist and visiting professor to several renowned national and international institutions. He holds a Doctoral Degree and Master's Degree in Economics from University of Pennsylvania. He is Vice Chairman of Sardar Patel Institute of Economic and Social Research, Ahmedabad. He is President of the Trust of The Indian Society of Labour Economics and was President of the Institute of Human Development, New Delhi and Chairman of Advisory Committee of N. M. Sadguru Water and Development Foundation, Dahod (Gujarat). He was earlier the Minister of Power and for Planning and Programme Implementation with additional charge of the Ministry of Science and Technology. He has been Member of Planning Commission (in the rank of Minister of State). He has been Chairman, Bureau of Industrial Costs and Prices, Ministry of Industry. He has several books and over a hundred articles to his credit, published both at home and abroad. He has travelled widely and represented India in a number of high level official delegations and seminars. He was an invitee to the Climate Policy Game Group of The Committee of American Progress by its MD Neera Tanden (currently close associate of US President), the findings of which were presented in Paris. He was also invited to develop a sustainable development scenario for 2030 for the Canadian G8/G20 Munk Institute for the G20 meeting in Seoul. He is a Nominated Member of the PMs Advisory Committee for Celebrating the 75th Year of India's Independence. Dr. Alagh is on the Board of ADJB Production Pvt. Ltd.

Chairman | Member | **AC** Audit Committee | **CSBR** Corporate Social and Business Responsibility Committee | **NRC** Nomination cum Remuneration Committee | **RMC** Risk Management Committee | **SRC** Stakeholder Relationship Committee

GOVERNANCE

Shreekant Somany
Independent Director

AC
NRC

Mr. Shreekant Somany is an industrialist who holds a Bachelor of Science degree from Calcutta University and is currently on the Board of Somany Ceramics Limited, SR Continental Limited, Somany Bathware Limited (formerly known as Somany Global Ltd.) and JK Tyre & Industries Limited. He is also the President of Indian Ceramic Society and Member of National Council - Confederation of Indian Industry (CII).

Nitin Dayalji Desai
Independent Director

CSBR
SRC
AC

Mr. Nitin Desai is a graduate from London School of Economics and a well-known Economist and has had a long and distinguished career in the Government of India and United Nations. Mr. Desai is the Chairman of the Governing Council of The Energy and Resources Institute (TERI), Honorary Professor at the Indian Council for Research in International Economics Relations (ICRIER), Honorary Fellow of the London School of Economics and Political Science, UK. He is connected with the Governing Bodies of several NGOs and Research Institutions. Mr. Desai has worked at senior levels in the Planning Commission from 1973 to 1987. From 1988 to 1990, he was the Chief Economic Advisor and Secretary in the Department of Economic Affairs in the Ministry of Finance. In 1990, he joined the United Nations as Deputy Secretary General of the 1992 Rio Summit on Environment and Development and served later as Under Secretary General dealing with economic and social affairs from 1993 to 2003. He is on the Board of Shakti Sustainable Energy Foundation.

Sanjiv Krishnaji Shelgikar
Independent Director

RMC
CSBR
AC

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

Zubair Ahmed
Independent Director

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

Uma Ghurka
Independent Director

CSBR

Ms. Uma Ghurka graduated with a B.Tech degree in Electrical Engineering from IIT, Madras in 1975. She is a seasoned technocrat and a renowned entrepreneur. With a penchant for developing innovative products that find application across major industries to our daily lives, she founded Thermopads group. With an over 40 years of experience in building and leading business, Ms. Uma Gurkha brings with her a rich repertoire of technical and business acumen. She has also been an active member of various professional, entrepreneurship and social organisations. Among several eminent positions held by her she has also been a Non-Executive Director in State Bank of Hyderabad. She was also honored with "Best Woman entrepreneur of the year -1984" by President of India. She is presently Whole Time Director of Thermopads Pvt. Ltd. and Director in Thermo Cables Ltd., Thermo Polymers Pvt. Ltd., Thermosystems Pvt. Ltd. & Confederation of Women Entrepreneurs of India.

P. N. Chhangani
Whole Time Director

RMC
CSBR

Mr. P. N. Chhangani is a Chemical Graduate having over 35 years of rich experience in Cement and Related Industries. He was working with the Company as President (Works) and Supervising overall Cement Plant Operations of the Company. He is on the Board of Shree Cement Foundation.

Chairman | Member

AC Audit Committee

CSBR Corporate Social and Business Responsibility Committee

NRC Nomination cum Remuneration Committee

RMC Risk Management Committee

SRC Stakeholder Relationship Committee

GOVERNANCE

Management Team

Shri Diwakar Payal
President (Marketing)

Shri Sanjay Mehta
President (Commercial) and Chief Happiness Officer

Shri Arvind Khicha
Jt. President (Commercial)

Shri K.C. Gandhi
Jt. President (Materials Management)

Shri Shrinath Savoor
Chief Sustainability Officer

Shri Man Mohan Rathi
Jt. President (Power Plants)

Shri Sumit Rajender Pal Malhotra
Jt. President (Marketing)

Shri R. K. Agarwal
Jt. President (Projects)

Shri Vinay Saxena
Sr. Vice President (Operations)

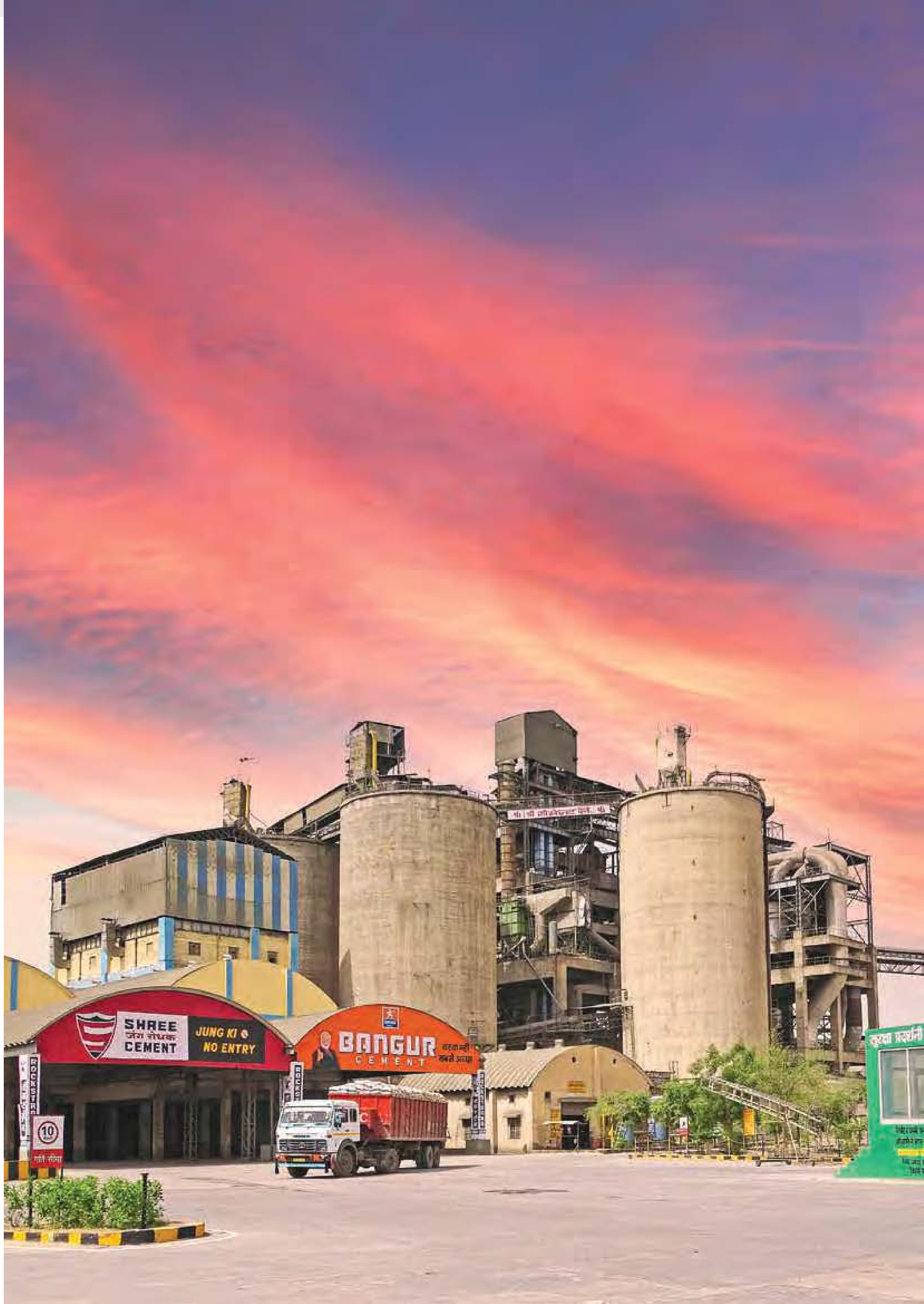
Shri S.S. Khandelwal
Company Secretary

Shri K.K. Jain
Vice President (Accounts and Contract Cell)

Shri Satish Chander
Vice President (Operations)

Shri Yogesh Mehta
Vice President (Logistics)

Shri Subhash Jajoo
Chief Finance Officer



PERFORMANCE OVER THE YEARS

Delivering confidently in a challenging year

Operational Metrics

Cement Production (Lacs tonnes)

FY 2021-22	276.92
FY 2020-21	263.61
FY 2019-20	241.15
FY 2018-19	250.63
FY 2017-18	222.02

Clinker Production (Lacs tonnes)

FY 2021-22	176.99
FY 2020-21	171.25
FY 2019-20	165.57
FY 2018-19	176.50
FY 2017-18	151.34

Shareholder Value Creation

Dividend (₹ per Share)

FY 2021-22	90
FY 2020-21	60
FY 2019-20 Including Additional Dividend of ₹40/-	110
FY 2018-19	60
FY 2017-18	50

Book Value (₹ per Share)

As on 31st March, 2022	4,786.73
As on 31st March, 2021	4,226.65
As on 31st March, 2020	3,585.41
As on 31st March, 2019	2,754.92
As on 31st March, 2018	2,553.83

Balance Sheet Analysis

Capital Employed and Shareholders' fund (₹ in Crore)

	Capital Employed	Shareholders' fund
As at 31st March, 2022	19,285.05	17,270.87
As at 31st March, 2021	17,383.30	15,250.07
As at 31st March, 2020	16,080.61	12,936.42
As at 31st March, 2019	12,395.34	9,597.39
As at 31st March, 2018	12,299.81	8,896.83

Return on Average Capital Employed (%)

FY 2021-22	17.17
FY 2020-21	19.56
FY 2019-20	15.78
FY 2018-19	10.76
FY 2017-18	18.43

Return on Net Worth (%)

FY 2021-22	13.76
FY 2020-21	15.16
FY 2019-20	12.14
FY 2018-19	9.91
FY 2017-18	15.56

Financial Operations

Revenue from Operations (₹ in Crore)

FY 2021-22	14,305.88
FY 2020-21	12,668.87
FY 2019-20	11,904.00
FY 2018-19	11,722.00
FY 2017-18	9,833.10

Cash and Basic EPS (₹ per Share)

	Cash EPS	Basic EPS
FY 2021-22	978.14	658.69
FY 2020-21	945.68	640.77
FY2019-20	888.58	445.08
FY 2018-19	698.54	273.00
FY 2017-18	654.47	397.33

EBIDTA to net revenue from operations and PAT Margin (%)

	EBIDTA to net revenue from operations	PAT Margin
FY 2021-22	29.25	16.61
FY 2020-21	34.83	18.25
FY 2019-20	33.15	13.19
FY 2018-19	24.72	8.11
FY 2017-18	29.10	14.08

EBIDTA and Net Profit (₹ in Crore)

	EBIDTA	Net Profit
FY 2021-22	4,185.18	2,376.62
FY 2020-21	4,412.72	2,311.93
FY 2019-20	3,946.15	1,570.18
FY 2018-19	2,898.22	951.05
FY 2017-18	2,861.83	1,384.18

Key Ratios

Debt Equity Ratio (Times)

FY 2021-22	0.10
FY 2020-21	0.11
FY 2019-20	0.19
FY 2018-19	0.24
FY 2017-18	0.25

Current Ratio (Times)

FY 2021-22	1.69
FY 2020-21	1.69
FY 2019-20	1.79
FY 2018-19	2.01
FY 2017-18	1.92

Debtors Turnover (Times)

FY 2021-22	33.58
FY 2020-21	24.66
FY 2019-20	19.36
FY 2018-19	24.77
FY 2017-18	30.58

Inventory Turnover (Times)

FY 2021-22	7.86
FY 2020-21	8.72
FY 2019-20	7.89
FY 2018-19	7.42
FY 2017-18	12.95

FIVE YEARS HIGHLIGHTS

Operational Performance

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cement Production (Lac MT)	222.02	250.63	241.15	263.61	276.92
Cement and Clinker Sales (Lac MT)	225.34	258.61	249.24	268.41	277.37
Net Power Generation (Lac Kwh)	25,622	32,536	26,600	16,185	19,108
Power Consumption (Kwh/Tonne of Cement)	68.67	69.05	70.54	68.65	67.15
Fuel Consumption (Kcal/ Kg of Clinker)	728	719	721	727	733

Financial Performance

Profit & Loss Statement

(₹ in Crore except per share data)

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Net Revenue from Operations	9,833.10	11,722.00	11,904.00	12,668.87	14,305.88
Other Income	389.05	245.40	271.62	432.89	537.34
Total Net Revenue	**10,222.15**	**11,967.40**	**12,175.62**	**13,101.76**	**14,843.22**
EBIDTA	**2,861.83**	**2,898.22**	**3,946.15**	**4,412.72**	**4,185.18**
Depreciation and Amortisation	899.40	1,391.68	1,699.42	1,139.90	1,036.48
Finance Costs	135.27	246.98	286.52	247.10	217.78
Exceptional Items	-	178.13	-	-	-
Profit before Tax	**1,827.16**	**1,081.43**	**1,960.21**	**3,025.72**	**2,930.92**
Tax Expense	442.98	130.38	390.03	713.79	554.30
Net Profit	**1,384.18**	**951.05**	**1,570.18**	**2,311.93**	**2,376.62**
Cash EPS (in ₹)	654.47	698.54	888.58	945.68	978.14
Basic and Diluted EPS (in ₹)	397.33	273.00	445.08	640.77	658.69

Balance Sheet

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2022
Net Block of Fixed Assets	3,589.18	4,475.67	3,978.67	3,817.71	4,738.48
Shareholders' Fund	8,896.83	9,597.39	12,936.42	15,250.07	17,270.87
Total Capital Employed	12,299.81	12,395.34	16,080.61	17,383.30	19,285.05

Key Ratios

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
EBIDTA to Net Revenue from Operations (%)	29.10	24.72	33.15	34.83	29.25
Return on Net Worth (%)	15.56	9.91	12.14	15.16	13.76
Return on Average Capital Employed (%)	18.43	10.76	15.78	19.56	17.17

PERFORMANCE HIGHLIGHTS (SINCE BEGINNING)

Year		Clinker Production (Lakh MT)	Cement Sales (Lac MT)	Net Revenue (₹ in Crore)	Shareholders' Fund (₹ in Crore)	Book Value (₹ per Share)
1985	(8 months)	2.60	2.67	22.01	15.46	10.11
1996-97	(15 months)	10.79	11.62	208.95	182.03	52.25
1997-98		14.36	16.62	280.59	190.57	54.70
1998-99		19.45	20.91	372.76	196.54	56.42
1999-00		22.85	23.10	409.68	219.39	60.82
2000-01		21.13	24.00	466.85	247.06	66.61
2001-02	(9 months)	16.25	18.02	333.51	215.61	57.58
2002-03		22.85	27.25	455.69	222.40	63.84
2003-04		22.94	28.41	473.23	251.38	72.16
2004-05		24.83	30.61	582.08	289.49	83.10
2005-06		27.71	32.03	669.39	296.30	85.05
2006-07		35.06	48.33	1,367.98	454.55	130.48
2007-08		46.23	63.34	2,109.12	672.81	193.13
2008-09		64.18	77.36	2,710.63	1,210.02	347.33
2009-10		80.45	92.71	3,632.12	1,833.24	526.23
2010-11		74.65	93.38	3,453.53	1,986.18	570.13
2011-12	(15 months)	102.88	142.06	5,799.52	2,733.93	784.77
2012-13		86.82	122.77	5,590.25	3,843.65	1,103.32
2013-14		98.62	140.66	5,887.31	4,710.87	1,352.25
2014-15		113.18	157.45	6,453.57	5,276.40	1,514.59
2015-16	(9 months)	96.83	141.08	5,513.64	6,845.53	1,965.00
2016-17		136.82	200.73	8,594.30	7,698.14	2,209.74
2017-18		151.34	220.18	9,833.10	8,896.83	2,553.83
2018-19		176.50	248.76	11,722.00	9,597.39	2,754.92
2019-20		165.57	239.46	11,904.00	12,936.42	3,585.41
2020-21		171.25	263.18	12,668.87	15,250.07	4,226.65
2021-22		**176.99**	**275.60**	**14,305.88**	**17,270.87**	**4,786.73**
GROWTH – Absolute No. of Times	**Since Beginning**	**45.38**	**68.81**	**433.31**	**1,116.87**	**473.30**
	25 Years	**20.50**	**29.65**	**85.58**	**94.88**	**91.61**
	20 Years	**8.17**	**11.47**	**32.17**	**80.10**	**83.13**
	10 Years	**2.15**	**2.43**	**3.08**	**6.32**	**6.10**
	5 Years	**1.29**	**1.37**	**1.66**	**2.24**	**2.17**
GROWTH – CAGR	**Since Beginning**	**11.18%**	**12.47%**	**18.37%**	**21.53%**	**18.66%**
	25 Years	**12.84%**	**14.52%**	**19.48%**	**19.97%**	**19.81%**
	20 Years	**11.07%**	**12.97%**	**18.95%**	**24.50%**	**24.74%**
	10 Years	**7.96%**	**9.26%**	**11.92%**	**20.24%**	**19.82%**
	5 Years	**5.28%**	**6.55%**	**10.73%**	**17.54%**	**16.72%**

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

AWARDS AND ACCOLADES

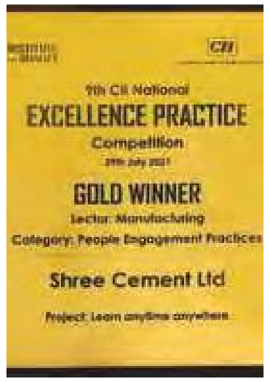
Recognition that lauds our all-round excellence

Award of Honour to Laksar unit by SIDCUL Manufacturers Association Uttarakhand for 'Outstanding Service During COVID - 19'

Five Star Rating to Nimbeti Limestone Mine by Ministry of Mines for three consecutive years - FY 2017-18, FY 2018-19 and FY 2019-20

Green Leaf Environmental Excellence - Platinum Award to Ras plant by Apex India Foundation

Supply Chain and Logistic Excellence (SCALE) Award - 2021 - by Confederation of Indian Industry (CII) for 6th consecutive year



Gold award in manufacturing sector for 'People Engagement Practices' by Confederation of Indian Industry (CII)

First prize in Cement Sector in Rajasthan Energy Conservation Award - 2021 by Department of Energy, Govt. of Rajasthan

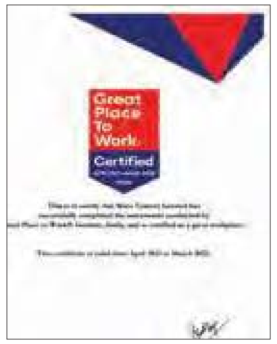
Significant Achievement in HR Excellence for 12th CII National HR Excellence Award, 2021-22

Challengers Award - Mega Large Business at Sustainability 4.0 Awards 2021 by Frost & Sullivan and TERI

Silver medal for Kodla unit at National Award for Manufacturing Competitiveness 2021-22 by International Research Institute of Manufacturing®

Among India's 100 Best Places to Work for 2021 by Great Place to Work© Institute, India

Best Workplaces™ in Cement and Building Materials Industry by Great Place to Work© Institute, India



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GRI CONTENT INDEX

Disclosure Number	Disclosure Title	Reference in the report	Page Number	Omission
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016				
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102-2	Activities, brands, products, and services	Shree Cement at a glance	4-5	-
102-3	Location of headquarters	Corporate Governance report	173	-
102-4	Location of operations	Our Operational Reach	7	-
102-5	Ownership and legal form	Shree Cement at a glance	2-7	-
102-6	Markets served	Shree Cement at a glance	4-5	-
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102-8	Information on employees and other workers	Human Capital, Employee diversity	58	-
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102-10	Significant changes to the organisation and its supply chain	Strategic overview Intellectual Capital, Manufactured Capital	85	-
102-11	Precautionary Principle or approach	Natural Capital	44-55	-
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200 Series (Economic Topics)				
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103-2	The management approach and its components	Financial Capital	68	-
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GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	Financial Capital	68	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic nd its Boundary	Governance	88	-
103-2	The management approach and its components	Governance	88	-
103-3	Evaluation of the management approach	Governance	88	-
GRI 205: Anti-corruption 2016				
205-2	Communication and training about anti-corruption policies and procedures	Human Capital	61	-
205-3	Confirmed incidents of corruption and actions taken	Governance	89	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Corporate Governance Report	152	-
103-2	The management approach nd its components	Corporate Governance Report	152	-
103-3	Evaluation of the management approach	Corporate Governance Report	152	-
GRI 206: Anti-competitive behavior 2016				
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300 Series (Environmental Topics)				
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103-2	The management approach and its components	Natural Capital	50	-
103-3	Evaluation of the management approach	Natural Capital	50	-
GRI 301: Materials 2016				
301-1	Materials used by weight or volume	Natural Capital	50	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Natural Capital	46	-
103-2	The management approach and its components	Natural Capital	46	-
103-3	Evaluation of the management approach	Natural Capital	46	-
GRI 302: Energy 2016				
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302-3	Energy intensity	Natural Capital	46	-
302-5	Reduction of Energy Consumption	Natural Capital	48	-
GRI 303: Water and Effluents 2018				
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303-2	Management of water discharge related impacts	Natural Capital	52	-
303-3	Water withdrawal	Natural Capital	52	-
303-4	Water discharge	Natural Capital	52	-
303-5	Water Consumption	Natural Capital	52	-

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GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Natural Capital	54	-
103-2	The management approach and its components	Natural Capital	54	-
103-3	Evaluation of the management approach	Natural Capital	54	-
GRI 304: Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Natural Capital	54	-
304-2	Significant impacts of activities, products and services on biodiversity	Natural Capital	54	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Natural Capital	54	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Natural Capital	48	-
103-2	The management approach and its components	Natural Capital	48	-
103-3	Evaluation of the management approach	Natural Capital	48	-
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	Natural Capital	48	-
305-2	Energy indirect (Scope 2) GHG emissions	Natural Capital	48	-
305-3	Other indirect (Scope 3) GHG emissions	Natural Capital	48	-
306-6	Emissions of ozone-depleting substances (ODS)	Natural Capital	48	-
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital	49	-
GRI 306: Waste 2020				
306-1	Waste generation and significant waste - related impacts	Natural Capital	51	-
306-2	Management of significant waste-related impacts	Natural Capital	51	-
306-3	Waste generated	Natural Capital	51	-
306-4	Waste diverted from disposal	Natural Capital	51	-
306-5	Waste directed to disposal	Natural Capital	51	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital	85	-
103-2	The management approach and its components	Social and Relationship Capital	85	-
103-3	Evaluation of the management approach	Social and Relationship Capital	85	-
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	Social and Relationship Capital	85	-
400 Series (Social Topics)				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	58	-
103-2	The management approach and its components	Human Capital	58	-
103-3	Evaluation of the management approach	Human Capital	58	-
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	Human Capital	59, 60	-
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital	59, 60	-

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GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	61	-
103-2	The management approach and its components	Human Capital	61	-
103-3	Evaluation of the management approach	Human Capital	61	-
GRI 402: Labor/Management Relations				
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GRI 403: Occupational Health and Safety 2018				
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403-3	Occupational health services	Human Capital	62, 63	-
403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital	62, 63	-
403-5	Worker training on occupational health and safety	Human Capital	62, 63	-
403-6	Promotion of worker health	Human Capital	62, 63	-
403-8	Workers covered by an occupational health and safety management system	Human Capital	62, 63	-
403-9	Work-related injuries	Human Capital	64	-
GRI 103: Management Approach				
103-1	Explanation of the material topic and its Boundary	Human Capital	61, 62	-
103-2	The management approach and its components	Human Capital	61, 62	-
103-3	Evaluation of the management approach	Human Capital	61, 62	-
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	Human Capital	62	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	61	-
103-2	The management approach and its components	Human Capital	61	-
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GRI 406: Non-discrimination 2016				
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GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	61	-
103-2	The management approach and its components	Human Capital	61	-
103-3	Evaluation of the management approach	Human Capital	61	-
GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labour	Human Capital	61	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	61	-
103-2	The management approach and its components	Human Capital	61	-
103-3	Evaluation of the management approach	Human Capital	61	-

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409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human Capital	61	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital	74	-
103-2	The management approach and its components	Social and Relationship Capital	74	-
103-3	Evaluation of the management approach	Social and Relationship Capital	74	-
GRI 411: Rights of Indigenous People 2016				
411-1	Incidents of violations involving rights of indigenous	Social and Relationship Capital	74	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Human Capital	61	-
103-2	The management approach and its components	Human Capital	61	-
103-3	Evaluation of the management approach	Human Capital	61	-
GRI 412: Human rights assessment 2016				
412-2	Employee training on human rights policies or procedures	Human Capital	61	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital, Responsibility towards community	74-80	-
103-2	The management approach and its components	Social and Relationship Capital, Responsibility towards community	74-80	-
103-3	Evaluation of the management approach	Social and Relationship Capital, Responsibility towards community	74-80	-
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments and development programmes	Social and Relationship Capital, Community Infrastructure and Rural Development	74-80	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital	85	-
103-2	The management approach and its components	Social and Relationship Capital	85	-
103-3	Evaluation of the management approach	Social and Relationship Capital	85	-
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	Social and Relationship Capital	85	-
414-2	Negative social impacts in the supply chain and actions taken	Social and Relationship Capital	85	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Corporate Governance Report	152	-
103-2	The management approach and its components	Corporate Governance Report	152	-
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GRI 415: Public Policy				
415-1	Political contributions	Standalone Financial Statements	224	-

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GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital	84	-
103-2	The management approach and its components	Social and Relationship Capital	84	-
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GRI 416: Customer Health and Safety 2016				
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Social and Relationship Capital	84	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social and Relationship Capital	84	-
103-2	The management approach and its components	Social and Relationship Capital	84	-
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GRI 417: Marketing and Labeling				
417-1	Requirements for product and service information and labeling	Social and Relationship Capital	84	-
417-2	Incidents of non-compliance concerning product and service information and labeling	Social and Relationship Capital	84	-
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Corporate Governance Report	154	-
103-2	The management approach and its components	Corporate Governance Report	154	-
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GRI 419: Socioeconomic Compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	Corporate Governance Report	154	-

Mapping with UNGC Principles

UNGC Principles	Section in Report	Page No.
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Human Capital	61
Principle 2: Make sure that they are not complicit in human right abuses.	Human Capital	61
Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Capital	61
Principle 4: The elimination of all forms of forced and compulsory labour.	Human Capital	61
Principle 5: The effective abolition of child labour	Human Capital	61
Principle 6: The elimination of discrimination in respect of employment and occupation.	Human Capital	61
Principle 7: Business should support a precautionary approach to environmental challenges.	Natural Capital	48
Principle 8: Undertake initiatives to promote greater environmental responsibility.	Natural Capital	48
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	Natural Capital	48
Principle 10: Business should work against corruption in all its forms, including extortion and bribery.	Governance	89

Contribution to Sustainable Development Goals (SDGs)

Sustainable Development Goal (SDG)	Section in the report	Page number
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SDG 2 Zero Hunger	Social and Relationship Capital	72
SDG 3 Good health and wellbeing	Human Capital	56, 72
SDG 4 Quality Education	Social and Relationship Capital, Human Capital	56, 72
SDG 5 Gender equality	Social and Relationship Capital	56, 72
SDG 6 Clean Water and Sanitation	Social and Relationship Capital, Natural Capital, Human Capital	72, 44, 56
SDG 7 Affordable and Clean Energy	Natural Capital	44
SDG 8 Decent work and Economic Growth	Social and Relationship Capital, Financial Capital, Manufactured Capital, Human Capital	38, 56, 66, 72
SDG 9 Industry Innovation and Infrastructure	Intellectual capital, Manufactured Capital	32, 38
SDG 10 Reduced inequality	Human Capital	56
SDG 11 Sustainable Cities and Communities	Natural Capital	44
SDG 12 Responsible Consumption and Production	Natural Capital, Intellectual capital, Manufactured Capital	32, 38, 44
SDG 13 Climate Action	Natural Capital	44

Alignment with the GCCA Sustainability Charter

GCCA Category	Principle	Page No.
Health and Safety	Apply the good safety practice guidelines	62-64
	Promote the sharing of good health practices	62-64
Climate Change and Energy	Develop a climate change mitigation strategy, and publish targets and processes	23
Social Responsibility	Publish a code of conduct incorporating the principles of internationally proclaimed human rights	61
	Apply the Social Impact Assessment guidelines	74-80
	Establish a systematic dialogue process with stakeholders	24-25
Environment and Nature	Apply the Environment and Nature guidelines	46-55
	Set emission targets and report publicly on progress	46-55
Circular Economy	Promote the principles of circular economy across the value chain	50-51
	Apply the guidelines developed for fuel and raw material use in cement production	50-51

Alignment with the NVG Principles

NVG Principle	Description	Page No.
Principle 1	Businesses should conduct and govern themselves with ethics, transparency and accountability	89
Principle 2	Maximising the sustainability of goods and services throughout their lifecycle	50, 48, 85
Principle 3	Enriching the quality of life of employees and maximising their potential	58, 59, 61, 62
Principle 4	Inclusive growth through stakeholder engagement	25
Principle 5	Businesses should respect and promote human rights	61
Principle 6	Protecting the environment	46-55
Principle 7	Policy advocacy	87-94
Principle 8	Inclusive growth and equitable development	74- 80
Principle 9	Value to customers	81-84

Sustainability Performance Indicators

Parameters	Key Performance Indicator	Unit	Data	Coverage (% of clinker production)
Climate Protection	Total CO_2 emissions – gross	Million tCO_2e	15.73	100
	Total CO_2 emissions – net	Million tCO_2e	14.77	100
	Specific Net Scope 1 emissions	Kg / tonne cement	529	
	Specific Gross Scope 1 emissions	Kg / tonne cement	532	
	Independent third-party assurance of CO_2 data (frequency)		Annual	100
Emissions Reductions	Specific NOx emissions	G/tonne clinker	638.38	
	Specific SO_2 emissions	G/tonne clinker	61.54	
	Specific PM emissions	G/tonne clinker	51.43	
	Ozone Depleting Substance (ODS)	Metric tonnes of CFC-11	0.13	
	Clinker produced with monitoring of major and minor emissions	%	100	
	Clinker produced with continuous monitoring of major emissions	%	100	
	Independent third-party assurance of emissions data (frequency from 2011)	%	Annual	

SUSTAINABILITY PERFORMANCE INDICATORS

Parameters	Key Performance Indicator	Unit	Data	Coverage (% of clinker production)
Fuels and raw material	Specific heat consumption of clinker production	KCal / Kg of clinker	733	
	Alternative Fuel Rate (Including Biomass)	%	9.84	
	Biomass Fuel Rate	%	0.4	
	Alternative Raw Materials Rate	%	27.23	
	Clinker/Cement Ratio	%	63.25	
	Sites with quarry rehabilitation plans in place	%	100	
	Sites with community engagement plans in place	%	100	
Biodiversity KPI no.1	Number of quarries within, containing or adjacent to areas designated for their high biodiversity value, as defined by GRI 304	Number	0	
Biodiversity KPI no.2	Quarries with high biodiversity value where biodiversity management plans are actively implemented	%	NA	
Water	Total water discharge by source	Million m^3	0	
	Total water discharge by quality and destination	Million m^3	0	
	Destination: Surface water	Million m^3	0	
	Destination: Groundwater	Million m^3	0	
	Destination: Water discharge for offsite treatment	Million m^3	0	
	Destination: Water discharge to others	Million m^3	0	
	Total water consumption (for cement)	Million m^3	2.28	
	Percentage of sites with a water recycling system	%	100	
	Specific water consumption	m^3/MT of cement produced	0.082	
	Water reused	Million m^3	0.336	
Employee Health and Safety	No. of fatalities (directly employed)	Number	1	
	No. of fatalities per 10,000 directly employed	Number	1.78	
	No. of fatalities (indirectly employed)	Number	1	
	No. of fatalities (3rd party)	Number	0	
	No. of Lost time injuries (directly employed)	Number	1	
	Lost time injury per 1m man-hours (directly employed)	Number	0.09	
	No. of Lost time injuries (indirectly employed contractors and subcontractors)	Number	14	
	Lost time injury per 1m man-hours (indirectly employed)	Number	0.57	
	Total no. of lost time injuries	Number	15	
	Independent third-party assurance of safety data (frequency)		Annual	

IFC Performance Indicators

Category	Unit	Value/Reference to Section
Occupational Health & Safety		
Accident rate - Direct Employee	LTI per million hrs.	0.09
Accident rate - Indirect Employee	LTI per million hrs.	0.57
Fatality Rate	Per million - man hours worked	0.09
Fatality Rate (indirect)	Per million hours worked	0.04
Occupational Health & Safety monitoring programme		Annual
Resource use and waste		
Hazardous waste – Liquid (Used Oil)	KL	149.82
Hazardous waste - Solid	Metric Tonnes	47.82
Air emissions levels for cement manufacturing		
Dust	G/tonne clinker	51.43
NOx - for cement facilities	G/tonne clinker	638.38
SO_2 for cement facilities	G/tonne clinker	61.54
CO_2 - from decarbonisation (raw material)	tCO_2e	9,483,478
CO_2 - from fuel (kiln)	tCO_2e	5,128,829
HCl	Mg/Nm3	4.483
Hydrogen Fluoride	Mg/Nm3	0.378
Total Organic Carbon	Mg/Nm3	4.071
Dioxins – Furans	Mg/Nm3	0.016
Cadmium & Thallium	Mg/Nm3	0.003
Mercury (Hg)	Mg/Nm3	0.001
Effluent Level Cement Manufacturing		
pH	NA	Zero Effluent Discharge
Total Suspended Solids	NA	Zero Effluent Discharge
Temperature increase	NA	Zero Effluent Discharge
Resource Energy Consumption		
Materials-substitute raw materials used in clinker production (Fuel)	%	9.84
Substitute raw materials in cement production	Million tonnes	10.13
Fuel energy - cement	GJ/tonne of cement	2.39
Electrical energy - cement	GJ/tonne of cement	0.17

Board's Report and Management Discussion and Analysis

Dear Members,

The Directors take pleasure in presenting their 43rd Report and Audited Financial Statements of the Company for the financial year 2021-22. Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL PERFORMANCE

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

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	**14,305.88**	**12,668.87**	**15,009.56**	**13,559.77**
Other Income	537.34	432.89	545.89	438.26
Total Income	**14,843.22**	**13,101.76**	**15,555.45**	**13,998.03**
Total Expenditure	10,658.04	8,689.04	11,301.63	9,480.32
Profit Before Interest, Depreciation and Taxes (PBIDT)	**4,185.18**	**4,412.72**	**4,253.82**	**4,517.71**
Finance Costs	217.78	247.10	216.12	251.29
Depreciation and Amortization expenses	1,036.48	1,139.90	1,145.88	1,262.34
Profit Before Tax	**2,930.92**	**3,025.72**	**2,891.82**	**3,004.08**
Tax Expense	554.30	713.79	555.21	714.49
Profit After Tax	**2,376.62**	**2,311.93**	**2,336.61**	**2,289.59**
Profit attributable to Owners of the Company	**-**	**-**	**2,331.94**	**2,285.87**
Profit attributable to Non-Controlling Interest	**-**	**-**	**4.67**	**3.72**

Key highlights of the year (Standalone performance)-

- Sale volume (cement and clinker) witnessed an increase of 3% in 2021-22 from 26.84 million tons of previous year to 27.74 million tons during 2021-22. A notable improvement was seen in sales volume from Kodla unit in Southern India which went up significantly from 2.26 million tons to 2.69 million tons.
- Net revenue from operations grew by 13% from ₹ 12,669 Crore to ₹ 14,306 Crore mainly due to increase in sales volumes.
- **Key Cost components-** Company faced input cost pressure due to spiraling inflation as a result of rising coal, diesel and other input costs. Key details for 2021-22 were as below:

  (a) Raw material- Rising diesel prices led to increased mining cost despite continued optimization drive in our limestone mining operations. All major inputs including fly-ash witnessed increase compared to previous year. Resultantly, overall raw material cost increased by 20% from ₹ 834 Crore in FY 2020-21 to ₹ 1,002 Crore in FY 2021-22.

  (b) Power & Fuel- Global commodity crisis and supply disruption resulted in high cost of fuel and power for the Company. Company's cost optimization measures continued to help Company contain the impact. Its focus on energy management practices helped reduce power consumption per ton of cement from 68.65 kWh/ ton of year 2020-21 to 67.15 kWh/ ton of in year 2021-22. Company also increased share of green power in total energy consumption. Overall power and fuel cost shot up by 52% compared from ₹ 2,082 Crore in previous year to ₹ 3,161 Crore in FY 2021-22.

  (c) Logistics Cost- Logistics and transportation costs witnessed increase of 7% from ₹ 3,037 Crore in FY 2020-21 to ₹ 3,241 Crore in FY 2021-22. Company continues to work on efficiency improvement initiatives, routes rationalization and raising use of technological tools in supply management, etc. to keep the logistics cost under check. One notable development was the work on building rail connectivity for some of its cement plants which will help enhance movement of materials through Railways and help contain the transportation cost.

- Overall the year witnessed continued input price rise leading to higher cost of production and freight. Resultantly, Profit Before Interest Depreciation and Tax (PBIDT) for the year 2021-22 came down by 5% to ₹ 4,185 Crore compared to ₹ 4,413 Crore of previous year 2020-21.

Key Financial Ratios

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

Particulars	2021-22	2020-21*	% Change	Remarks
Operating Profit Margin (without other income) (%)	25.50	31.41	-18.83%	Decreased mainly due to increase in power and fuel cost
Net Profit Margin (%)	16.61	18.25	-8.97%	
Return on Net Worth (%)	13.76	15.16	-9.23%	
Interest Coverage Ratio (Times)	19.22	17.86	7.61%	Improved due to reduction in finance cost
Debtors Turnover (Times)	33.58	24.66	36.14%	Improved due to increase in revenue from operations & decrease in trade receivables
Inventory Turnover (Times)	7.86	8.72	-9.84%	Reduced due to increase in inventory
Current Ratio (Times)	1.69	1.69	-	No change
Debt-Equity Ratio (Times)	0.10	0.11	-9.20%	No significant change

* Ratios updated wherever necessary due to re-grouping/ re-classification of underlying financial numbers

2. DIVIDEND AND RESERVES

The Board of Directors have recommended a final dividend of ₹ 45/- per equity share amounting to ₹ 162.36 Crore for the year 2021-22 for approval of the members at the 43rd Annual General Meeting of the Company. The total dividend for 2021-22 aggregates to ₹ 90/- per equity share which includes interim dividend of ₹ 45/- per equity share paid for the year 2021-22. During the year 2020-21, Company had paid dividend of ₹ 60/- per share amounting to ₹ 216.48 Crore for the year 2020-21.

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

3. MANAGEMENT OUTLOOK OF MACRO ECONOMY AND INDUSTRY

I. Indian Economy-Developments and Outlook

The biggest question as regards economic growth in 2021-22 is concerned was whether India's GDP would regain pre-pandemic levels. Based on advance estimates, GDP data for 2021-22 suggests that it has. With an expected growth rate of 8.9% in 2021-22, India's GDP is likely to be 1.8% more than what it was in 2019-20. The swift recovery, after the pandemic induced contraction, is mainly due to the rapid vaccination coverage as well as accommodative monetary and fiscal policy support. Government's policy thrust on quickening virtuous cycle of growth via capex and infrastructure spending has increased capital formation in the economy lifting the investment to GDP ratio (GFCF) at around 28.3 percent in 2021-22 (based on Second Advance Estimates) from 26.6 percent in 2020-21 (based on Final Revised Estimates). The private investment is also on the path of recovery.

Currently, because of government's thrust on capital expenditure and improved corporate sector's financial health, economy stands on strong growth momentum. Strong GST collection is a testimony to the strong macro-economic fundamentals of the Indian economy. Continued support by RBI by way of accommodative policy stance is also helping the economy. Rising number of private investment projects under implementation in manufacturing sector and increasing mobilization of risk capital bode well for acceleration in private investment. A sturdy and cleaned-up banking sector stands ready to support private investment adequately. Expected increase in private consumption levels will propel capacity utilization, thereby fueling private investment activity. There are thus signals indicating that India is poised for stronger investment.

If regaining pre-pandemic levels was the biggest challenge for 2021-22, the major challenge in 2022-23 is going to be to return to a high growth trajectory. There is greater uncertainty on this question led by elevated international commodity prices, increasing inflation, tight monetary policies, ongoing geopolitical crisis between Russia and

Ukraine and continuing global supply-side disruptions.

Over the past few years, Government has undertaken several structural reforms aimed at fulfilling the vision of Atmanirbhar Bharat and speeding up infrastructure development. The Production Linked Incentive (PLI) scheme launched in 2020 with an intent to give boost to the domestic manufacturing is attracting large investment. PLI Scheme covering 14 sectors is likely to result in manufacturing of $500 billion worth goods in the next five years. During 2021-22, Government has initiated Gatishakti - a National Master Plan for Multi-modal Connectivity that will accelerate development of seamless multi-modal transport network and reduce the infrastructure gap. The Government is taking many more such steps to continue the growth momentum going. The initial estimates of real economy growth of year 2022-23 are projected at around 7.5 percent to 8 percent. There are challenges however in terms of heightened fears of inflation, emergence of another COVID wave and rising geo-political tensions. RBI's stand on macro trends after Ukraine crisis has been instructive with focus being on gradual withdrawal of accommodation to control the inflation while supporting growth. All in all, while the Indian economy's fundamentals appear capable of weathering the above challenges, Government and RBI will need to do continuous monitoring of external developments and take actions accordingly. Considering this, the overall outlook remains cautiously positive.

II. Cement Industry – Development and Outlook

On the back of a lower base, the cement production is estimated to have clocked a solid growth of around 20% during FY22 over FY21. With production volumes of around 345-350 million tons, the industry is expected to have surpassed pre-COVID levels by around 6%.

The solid growth during FY22 is largely because of rising government spending on infrastructure, continuation of strong demand from real estate sector and rural and affordable housing segment. Higher fiscal deficit of 6.9% during FY22 provided the Government with extra cushion for spending on infrastructure and development thereby creating demand for other sectors such as cement. The continuation of accommodative monetary policy by RBI ensured easy credit terms for housing finance, which in turn generated continued strong demand from housing segment. On the back of good monsoon and remunerative MSP/ market prices, the rural incomes have seen upward movement resulting in higher spending on housing. With continued focus of the Government on affordable housing, both urban and rural affordable housing schemes have witnessed higher allocation and spending. All in all, FY 2022 has been a good year as far as demand is concerned. Industry has however faced the challenge of high input costs because of inflationary pressures. The coal prices have jumped significantly due to pandemic induced supply side disruptions as well as Ukrain-Russia conflict which has increased the cost of power and fuel significantly. High crude oil prices and general inflation has increased the cost of transportation and other input costs. Overall, the inflationary pressures have significantly increased costs and impacted the margins.

Going forward, the demand conditions are expected to be strong. The factors such as higher fiscal space with Government for capital and infrastructure spending, rising rural incomes and continuation of Government's flagship scheme of affordable housing will drive cement demand. RBI is considering to gradually withdraw its accommodative stance which is likely to make housing finance dearer. This, however, is unlikely to hit housing demand in the near term. The outlook for cement demand is considered positive.

4. NEW/EXPANSION PROJECTS

- **Projects completed during the year-** During the year 2021-22, commercial operation of Clinker Grinding Unit having capacity of 3.0 Million Ton Per Annum (MTPA) at Patas in Pune District of Maharashtra and Clinkerisation Unit (Kiln-3) having capacity of 12,000 Tons Per Day (4.0 MTPA) at Baloda Bazar, near Raipur in Chhattisgarh, has been started.

- **New Projects undertaken during the year-** During the year, the Company has started work on the following projects: -

Integrated Cement Plant(s)	At Gothra in Nawalgarh Tehsil of Rajasthan having Clinker Capacity of 3.80 MTPA and Cement Capacity of upto 3.50 MTPA. The project is scheduled to be completed by Quarter ending March, 2024.
Solar Power Plants	At different locations aggregating to 106 MWp to meet captive power requirement of cement plants of the Company. The same are expected to be completed by Quarter ending September, 2022.

- **New Projects undertaken by wholly owned subsidiary during the year-** Company's wholly owned subsidiary, Shree Cement East Pvt. Ltd. has started work on setting up of clinker grinding unit at Village Digha & Parbatpur, in Purulia District of West Bengal having capacity of 3.0 MTPA. The project is likely to be completed by Quarter ending June, 2023.

5. RISK MANAGEMENT

Company's risk management process is designed to identify and mitigate risks that have the potential to materially impact its business objectives and maintains a balance between managing risk and making most of the opportunities. The Board is responsible for overseeing the overall risk management framework of the Company. The Risk Management Committee of Board, keeps an eye on execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks are however done by key executives of the Company in consultation with professional firm in a systematic manner. The risks are prioritised according to significance and likelihood. Risks having high likelihood and high significance are classified as 'key risk'.

The details of the Key Risks identified by the Company and its mitigation measures are given in 'Risks and the Mitigation Strategies' section of this Annual Report at page no. 20.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Company has put in place adequate internal control systems commensurate with its size of operations. Company's internal control systems include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit and review framework, etc. Company has laid down internal financial controls and systems with regard to adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The framework is in compliance with the requirements of the Companies Act, 2013. The Company periodically assesses design as-well-as operational effectiveness of its internal controls across multiple functions and locations through extensive internal audit exercises. For carrying out internal audit, Company has an experienced in-house team manned by professionals. Based on the assessment and observations of internal audit, process owners undertake corrective action in their respective areas of operations, and thereby strengthen the processes and controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board on periodical basis. The Audit Committee evaluates the adequacy and effectiveness of internal financial control systems periodically.

Further, during the year, to improve and strengthen processes, finding opportunities for automation and optimizing costs, the Company has appointed different external agencies for conducting internal audit of different geographical locations of the Company. For this purpose, three renowned audit firms have been engaged viz. a viz. one audit firm earlier.

7. HUMAN RESOURCES / INDUSTRIAL RELATIONS

Over last two years, we have seen the world order getting reinvented in a zillion ways. And along with it, changes have happened the way we work. As new practices figured out, it's proven that people are the only competitive advantage that differentiate a company and its culture, the one that is most difficult to replicate, the advantage that walks out of the door every single day.

At SCL, people have been at the core of our business since our founding years. One of the few organizations that has Care and Happiness for all stakeholders as its guiding philosophy. The values that have become especially significant in these past years, the years that witnessed high turnover all over. Creating Happiness for all our stakeholders is the 'WHY' that our organization has been founded on, this drives the 'WHAT' – what needs to be done to create happiness, followed by the 'HOW' – how do we do this. Purpose that drives the practice which defines the process. Few highlights for the last year were viz. a viz. one audit firm earlier.

a) **A step ahead toward a Learning Organisation-** As an extension of School of Training Education and Personal Success ('STEPS'), the Company launched a unified portal https://www.shreesteps.com/ of its own, that aggregates all its initiatives towards building a learning organization. This was combined with native apps such as edcast for Android and iOS platforms to enable Anytime-Anywhere learning. The Company also introduced byte sized learning content to enable learning in the pace of work.

b) **Simplified joining experience-** Recruitz, an app and online portal was launched to introduce a seamless joining experience for new hires from Selection to On-Boarding. It not only enhanced the joining experience, but also reduced process redundancies and increased efficiencies.

c) **Improved process time in HR enabled by automation-** Multiple processes that were partially offline were automated 100%, thereby reducing response and solution time. This also adds to the data and predictive analytics for HR, which would help us build processes for the future.

d) **Being there for people-** The Health & Wellness teams organized regular vaccination camps across locations to ensure that all employees and their families were vaccinated. This was supported by a portal developed by Company's in-house team, which tracked vaccination status and sent regular follow ups to ensure 100% compliance. Along with it the Health, Wellness and Administration team supported people who tested positive, helping them with medicines, food, periodic check-ups, oxygen support, tie up with hospitals, etc.

e) **Significant Achievement in HR Excellence-** The Confederation of Indian Industries (CII) recognized the Company under category 'Significant Achievement in HR Excellence', which was a 100-point improvement from the last year, a milestone in our journey towards excellence. This recognition is based on a detailed examination of Company's policies and practices as per the framework designed by CII followed by an onsite audit by senior members of the industry.

f) **Commitment to being a Great Place to Work-** The Company was certified as a Great Place to Work for the 3rd consecutive year and also earned a badge for 'Commitment to Being a Great Place to Work'. This was in addition to recognition of (a) being among India's 100 Best Places to Work for, (b) among India's Top 30 in the Manufacturing Sector for 3rd consecutive year and (c) among the best companies in Cement and Building Materials.

g) **Industrial Relations-** Company considers its employees as its biggest asset. It therefore, always strives to build healthy relationship with them and resolve issues through dialogue and discussions. As a result, employee relations remained cordial during the year. Total number of employees as on 31st March, 2022 were 6,445.

8. OCCUPATIONAL HEALTH AND SAFETY

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

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

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

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

9. SUSTAINABILITY

Sustainability is at the forefront of the Company since inception and imbibed in its business model as a way of life. Company's operational strategy is built on a long-term commitment to experiment and implement new ideas for improving efficiencies, minimising the use of input resources and promote circular economy in the process. Following were key initiatives / developments:-

a) **Generation of power from renewable resources–** Company continued to lay strong focus on increasing use of renewable energy (RE) as part of its sustainability agenda. While Company maintains its leadership position with regard to use of RE in its total energy consumption, it is steadily ramping up its RE power generation capacity spanning across Waste Heat Recovery (WHR), Solar and Wind power plants. During the Company has increased share of renewable energy in total energy consumption from 47.9% in FY 2020-21 to 48.2% in FY 2021-22. It has already undertaken work on setting up solar power plant capacity of 106 MWp at different locations for meeting its captive requirement. The Company continues its recognition of having the largest WHR capacity in World Cement Industry excluding China. This apart, in terms of operational efficiency of WHRP, Company is regarded as one of the best in the industry. During the year, the Company installed 10.5 MW wind power plant in Maharashtra and 8.4 MW in Karnataka. Its total renewable power generation capacity (including WHR) stood at 263 MW at the end of financial year 2021-22.

b) **Energy Conservation–** Energy conservation derives extreme focus of the Company and has seen numerous innovations and initiatives over the years ranging from shop-floor experiments to large capex. This has helped Company to reduce its carbon intensity and rationalize production costs. More details on initiatives taken in the area of energy conservation are given in **Annexure – 3** to this report. Company's performance in energy conservation field is getting exemplified at platforms like "Perform, Achieve & Trade" (PAT) scheme of the Govt. of India wherein the Company overachieved its targets in PAT Cycle I, II and III continuously. The Company was awarded with the 'Best Performer' award for energy saving under PAT Cycle I by Bureau of Energy Efficiency.

c) **Alternative Fuels and Raw Materials–** Company is constantly working on to increase usage of alternative raw materials and fuels in its operations. Company uses of wastes of various industries such as Pharma, Chemical, Sponge Iron as alternate fuel. Company has also started utilizing MSW (Municipal Solid Waste), RDF (Refused Derived Fuel) and Agriculture Crop Residue as alternate fuel to conserve the natural resources. These measures have helped the Company to improve its Thermal Substitution Rate to 2.41% in FY 2021-22.As alternative raw materials, the Company has been using marginal grade limestone and quarry rejects with high grade material in a cost effective manner. Company's share of alternate fuel and raw material in total fuel and raw material consumption stood at 9.84% and 27.23% in FY 2021-22.

d) **Green products–** The Company has been producing blended cement under following categories: Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC) conforming strictly to the specified BIS norms. Blended cement contributes to sustainable design by making concrete stronger and durable, reducing consumption of natural resources such as limestone, lowering greenhouse gas emissions and contributes to a circular economy by utilizing wastes from power, iron and steel plants. Use of blended cement also has cost benefits for Company's customers. The share of blended cement in total cement production stood at 75.13% in FY 2021-22.

e) **Emission Reduction–** Company has been constantly working on ways to reduce its carbon emissions. Over the years, measures such as installation of waste heat recovery plants, increased production of blended cement, increased usage of renewable energy, etc. have been taken by the Company in this direction. The Company has targeted to reduce Scope-1 GHG emissions by 12.7% per ton of cementitious materials by 2030 from a 2019 base year and Scope-2 GHG emissions by 27.1% per ton of cementitious materials within the same timeframe. These have been validated by Science Based Targets initiative (SBTi). Further as part of its membership of Global Cement and Concrete Association (GCCA), it is committed to achieve the carbon goals as are decided by GCCA from time to time.

f) **Water Conservation–** Water is increasingly becoming a scarce and precious natural resource. The Company has been working on two-pronged approach of optimising water consumption as well as increasing availability of water through water harvesting and recharging. Company's macro level initiatives in this regard such as installation of Air Cooled Condensers in all its thermal power plants and setting-up Waste Heat Recovery based power plants have been a great success. Micro initiatives include construction of rain water harvesting structures around operating sites and mining area, installation of Sewage Treatment Plants for treating domestic waste water, use of recycled water in operations, online monitoring of ground water level, installation of water sensors & fixtures, etc. which help in reducing water consumption, increase water availability and reduce dependence on ground water.

g) **Sustainability Reporting–** Company released its 17th annual Corporate Sustainability Report for the reporting period 2020-21 titled "Progressing Responsibly with hard work and innovation". The said report was prepared in accordance with the "GRI Standards – Comprehensive Option" and assured by an independent certifying agency.

The Company has also consistently issued its Business Responsibility Report as part of Annual Report since year 2012-13 disclosing its performance with respect to various Business Responsibility principles. This apart, it has been consistently participating in various benchmarking and rating exercises such as CDP, Dow Jones Sustainability Index, MSCI sustainability index, etc. to gauge its performance with peers and improve upon the same. Company is part of various global industry membership such as Global Cement and Concrete Association wherein also it shares its performance details on various aspects.

h) **Engaging as knowledge partner –** In a unique initiative, during the year, the Company, held discussions with World Bank to act as a knowledge partner with them, on projects / programs relating to sustainability and climate change. The Company has offered to participate in initiatives, workshops, training programs, etc. relating to sustainability issues and fund research in the areas of Carbon Capture Usage & Storage (CCUS), use of waste materials, resource conservation, power storage technology and pollution control measures. It also offered its facilities for setting-up pilot projects in these areas.

The Company, as part of its membership with Global Cement and Concrete Association, has participated in INNOVANDI project, which is designed to accelerate deployment of enabling technologies for CCUS. Under this initiative, the Company is collaborating with other member companies to identify solutions and technologies to address cement and concrete's carbon footprint.

10. CORPORATE GOVERNANCE

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

11. BUSINESS RESPONSIBILITY REPORTING

Company is also releasing Business Responsibility Report (BRR) as part of this Annual Report covering its compliances towards the Business Responsibility Principles enunciated by the Securities and Exchange Board of India as required under Regulation 34(2) (f) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

12. CORPORATE SOCIAL RESPONSIBILITY

As part of its triple bottom-line approach to its business, Company has always considered the community as its key stakeholder. It believes that the community around its operations should also grow and prosper in the same manner as does its own business. Accordingly, Corporate Social Responsibility forms an integral part of the Company's business philosophy. To oversee all its CSR initiatives and activities, the Company has constituted a Board-level Committee - Corporate Social and Business Responsibility Committee. The major thrust areas of the Company include healthcare, education, women empowerment, infrastructure support, integrated rural development, etc. which are aligned to the areas specified under Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities of FY 2021-22 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is enclosed at **Annexure – 2** and forms part of this report. The CSR Policy of the Company may be accessed on website of the Company at link https://www.shreecement.com/investors/policies.

13. SUBSIDIARY COMPANIES

The Company has following subsidiaries:

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

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

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

14. CONSOLIDATED FINANCIAL STATEMENTS

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

15. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts for the year ended 31st March, 2022 the applicable accounting standards have been followed and there are no material departures from the same;
- They have selected such accounting policies, judgments and estimates that are reasonable and prudent and have applied them consistently so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the statement of Profit and Loss as well as Cash Flow of the company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the

assets of the Company and for preventing and detecting fraud and other irregularities;

- The annual accounts have been prepared on a going concern basis;
- Necessary internal financial controls have been laid down by the Company and the same are commensurate with its size of operations and that they are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

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

For the above evaluation, the Board members completed questionnaires providing feedback on different parameters as already stated above including on performance of Board / Committees / Directors, engagement levels, independence of judgment and other criteria. This is followed with review and discussions at the level of Board. The results of evaluation showed high level of commitment and engagement of Board, its various committees and working directors.

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

The Independent Directors well appreciated the functioning of the Board of Directors, Working Directors as well as Committee of the Board. They were also highly satisfied with leadership role played by the Chairman.

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

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Director retiring by rotation - In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Prakash Narayan Chhangani (DIN: 08189579), Director of the Company (designated as Whole Time Director) will retire by rotation in the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. Item seeking approval of members for the same is included in the Notice convening the 43rd AGM. The Board recommends the reappointment of Shri Prakash Narayan Chhangani. His reappointment at the 43rd AGM as a director retiring by rotation would not constitute break in his appointment as a Whole Time Director.

Key Managerial Personnel - Shri Prashant Bangur (DIN: 00403621) was last appointed as Joint Managing Director of the Company for a period of 5 years from 1st April, 2017. His tenure as Joint Managing Director completed on 31st March, 2022. The Board of Directors of the Company in its meeting held on 4th February, 2022, on the recommendation of Nomination cum Remuneration Committee and after evaluating his performance and considering the Company's growth under his stewardship, approved his reappointment as Jt. Managing Director of the Company for a period of 5 (five) years w.e.f. 1st April, 2022 subject to approval of the members. Approval of Members was obtained by passing of Special Resolution through Postal Ballot on 1st April, 2022.

Independent Directors - The Board of Directors of the Company in its meeting held on 21st May, 2022, on the recommendation of Nomination cum Remuneration Committee), appointed Mr. Zubair Ahmed (DIN: 00182990) as Additional Director of the Company w.e.f. 21st May, 2022. He holds office as Additional Director up to the date of the ensuing Annual General Meeting. Further, the Board appointed him as Independent Director of the Company for a period of 5 (five) years w.e.f. 21st May, 2022 subject to approval of the members.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 forms part of the Notice convening the 43rd Annual General Meeting.

During the year, Shri Om Prakash Setia (DIN: 00244443) resigned from the position of the Independent Director of the Company effective from close of Business Hours on 29th October, 2021 due to his personal reasons. Further, at the time of resignation, he confirmed that there were no material reasons for his decision to resign.

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

18. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to acquaint the new directors with the Company, a detailed presentation is given to them at the time of their appointment which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organizational structure, products, etc. A detailed presentation along similar lines is sent to existing Independent Directors every year to keep them apprised of the above details.

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

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO

The 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 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is set out at **Annexure - 3** which forms part of this report.

20. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

21. AUDITORS

I. Statutory Auditors

M/s. Gupta & Dua, Chartered Accountants (Firm Registration No. 003849N), who are the Statutory Auditors of the Company, shall hold office till the conclusion of the ensuing Annual General Meeting. They have given their report on the Annual Financial Statements for Financial Year 2021-22. The Audit Report does not contain any qualification, reservation or adverse remark. As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s. Gupta & Dua, as Statutory Auditors of the company will conclude with effect from the conclusion of the ensuing AGM of members of the Company.

The Board of Directors of the Company in its meeting held on 21st May, 2022, on the recommendation of Audit Committee, appointed M/s. B R Maheswari & Co LLP, Chartered Accountants (Firm Registration No. 001035N/N500050) as the Statutory Auditors of the Company for a period of 5 (Five) consecutive years commencing from the conclusion of ensuing 43rd Annual General Meeting till the conclusion of 48th AGM, subject however to approval of the members at the ensuing AGM. The Statutory Auditors have confirmed their independence status and eligibility for their appointment.

The members' attention is drawn to a Resolution proposing the appointment of M/s. B.R. Maheswari & Co LLP, Chartered Accountants, as Statutory Auditors of the Company which is included in the Notice convening the 43rd AGM.

II. Secretarial Auditors

The Board had appointed M/s. Pinchaa & Co., Company Secretaries as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2021-22. They have submitted their report in prescribed format and the same is enclosed at **Annexure - 5**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

III. Cost Auditors

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of the Company have appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur (Firm Registration No. 00024) to conduct the cost audit for the financial year ending 31st March, 2023 at a remuneration as stated in the Notice convening the 43rd Annual General Meeting of the members. As required under the Companies Act, 2013, the remuneration payable to cost auditors has to be placed before the Members at the general meeting for ratification. Hence, a resolution seeking ratification of remuneration by the Members, payable to the Cost Auditors, forms part of the Notice of the ensuing 43rd AGM.

The Cost Auditors are in process of conducting the audit of cost records for year 2021-22 and shall submit their report in due course.

22. OTHER DISCLOSURES

(a) Composition of Audit Committee- The Audit Committee comprises of Shri Shreekant Somany as Chairman, Shri R. L. Gaggar, Dr. Y. K. Alagh, Shri Nitin Desai and Shri Sanjiv Krishnaji Shelgikar as other Members. More details are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

(b) Details of Meetings of Board and its Committees- The Board of Directors of your Company met 4 times during the year to deliberate on various matters. The meetings were held on 21st May, 2021, 9th August, 2021, 29th October, 2021 and 4th February, 2022. Further details are available in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

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

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

(e) **Related Party Transactions-** All Related Party Transactions during the financial year 2021-22 were on arm's length basis and in ordinary course of business. They were all in compliance with the applicable provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). All such transactions are placed before the Audit Committee for review/approval. The necessary omnibus approvals have been obtained from Audit Committee wherever required. There were no material Related Party Contracts/ Arrangements/Transactions made by the Company during the year 2021-22 that would have required Shareholders' approval under provisions of Section 188 of the Companies Act, 2013 or of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Company has adopted a Related Party Transactions Policy duly approved by the Board, which is uploaded on the Company's website & may be accessed at link https://www.shreecement.com/ investors/policies.

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

Name of the Entity	% Holding in the Company	Amount (₹ Crore)	Nature of Transaction
Shree Capital Services Ltd.	24.90%	0.48	Payment of Office Rent

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

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

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

Ethics, Transparency and Accountability Policy & Code of Conduct- Company believes in the principle of trust, which can be derived through ethical practices, transparency and accountability to stakeholders. Keeping the same into account, Company has in place policy of Ethics, Transparency and Accountability Policy & Code of Conduct. Every director and employee is required to adhere to the said policy. The details of the policy can be accessed on the website of the Company at link https://www.shreecement. com/investors/policies.

Anti-Bribery and Anti-Corruption Policy- To conduct the business in an ethical, honest and transparent manner, the Board of Directors of the Company has adopted Anti-Bribery and Anti-Corruption Policy. Company has zero tolerance approach toward bribery and corruption. Every individual or group of individuals, associated with the Company in any form, be it director or employee or worker or contractor or dealer or supplier is required to follow the said policy. The details of the policy can be accessed on the website of the Company at link https://www. shreecement.com/investors/policies.

(h) **Remuneration Policy-** Company firmly believes in nurturing a people friendly environment, which is geared to drive the organisation towards high and sustainable growth. Each and every personnel working with Company strives to achieve the

Company's vision of being the best in the industry. Its Remuneration Policy is therefore designed to achieve this vision. The policy has been approved by the Board on the recommendation of Nomination cum Remuneration Committee. The policy is applicable to Directors, Key Managerial Personnel (KMP) and other employees.

The directors and KMPs are appointed on the recommendation of Nomination cum Remuneration Committee in terms of Companies Act, 2013. The factors for deciding the Remuneration of working directors, KMPs and senior executives includes, responsibility and profile of Individual, remuneration packages of peer group, accolades and recognition conferred on the individual, performance of the sector in which company operates, overall performance of the Company including its ESG/sustainability performance.

The Remuneration Policy can be accessed on the website of the Company at link https://www.shreecement.com/investors/policies.

(i) Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace- The Company has complied with the provisions of the constitution of the Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Company has formed an 'Internal Complaints Committee' for prevention & redressal of sexual harassment at workplace. The Committee has 6 members and is chaired by a senior woman member of the organisation. The Company has not received any complaint of sexual harassment during the financial year 2021-22.

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

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

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

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

23. ACKNOWLEDGEMENT

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

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Kolkata
Date : 21st May, 2022

ANNEXURE TO BOARD REPORT

Annexure-1 to the Board's Report

Independent Auditors' Certificate on Corporate Governance

To,
The Members of
Shree Cement Limited

1. We, Gupta & Dua, Chartered Accountants, the Statutory Auditors of Shree Cement Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing (Obligation and Disclosure requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

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

Auditors' Responsibility

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

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

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

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2022.

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

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No.: 003849N

Place: Kolkata
Date: 21st May, 2022
UDIN: 22085323AJNBRT5935

Mukesh Dua
Partner
Membership No.: 085323

Annexure-2 to the Board's Report

Annual Report on Corporate Social Responsibility Activities for year ended 31st March, 2022

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

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

Company follows a balanced growth model where economic growth walks hand in hand with care for the society and environment. Its progress is thus underlined by strict adherence to environment preservation, social upliftment and financial prudence. Company has made social development an integral part of its business objectives so as to bring about a meaningful change in the lives of people/ communities associated with it. The projects / activities undertaken by the Company in the field of corporate social responsibility fall within the broad framework of Schedule VII to the Companies Act, 2013 which inter alia include education, healthcare, sustainable livelihood, women empowerment, rural and infrastructure development, environment protection, supporting widows / dependents of martyrs of armed forces and promotion of art & culture, epitomizing a holistic approach to inclusive growth.

2. **Composition of CSR Committee***

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Nitin Dayalji Desai (appointed Chairman w.e.f. 4th February, 2022)	Chairman, Independent Director	1	1
2.	Shri Prashant Bangur	Member, Jt. Managing Director	1	1
3.	Shri Sanjiv Krishnaji Shelgikar	Member, Independent Director	1	1
4.	Ms. Uma Ghurka	Member, Independent Director	1	1
5.	Shri P. N. Chhangani	Member, Whole Time Director	1	1
6.	Shri O.P. Setia (ceased w.e.f. 29th October, 2021 consequent upon cessation of office of Director)	Chairman, Independent Director	1	1

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

Composition of CSR Committee is available on Company's website at following link:

https://www.shreecement.com/uploads/investors/shareholder/Committee_Composition_of_Board_of_Directors_20.pdf

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

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

4. **Provide the 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)**

Reports of impact assessment carried out by an independent agency in terms of sub-rule (3) of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) in respect of projects or programs completed in FY 2020-21 involving outlay of ₹ 1.00 Crore or more have been uploaded on website of the Company at https://www.shreecement.com/sustainability#community.

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 year (in ₹ Crore)	Amount required to be set off for the financial year, if any (in ₹ Crore)
1	2020-21	0.89	0.89
	Total	**0.89**	**0.89**

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

The average net profit of the Company for the last three financial years calculated in terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is ₹ 2,650.71 Crore.

7. **(a) Two percent of average net profit of the company as per Section 135 (5)**

₹ 53.01 Crore

(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

₹ 0.89 Crore

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

₹ 52.12 Crore

8. **(a) CSR amount spent or unspent for the financial year**

Total amount spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total amount transferred to Unspent CSR Account as per 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
57.54	NIL	-	-	NIL	-

(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 ₹ Crore)	Amount spent in the current financial year (in ₹ Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Crore)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - through implementing Agency	
				State	District						Name	CSR Registration number
	NIL											

(c) Details of CSR amount spent against other than ongoing projects for the financial year

As Annexed (amount spent is ₹ 54.76 Crore)

(d) Amount spent in Administrative Overheads	₹ 2.78 Crore
(e) Amount spent on Impact Assessment, if applicable	NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	₹ 57.54 Crore
(g) Excess amount for set off, if any	

Sl. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the company as per Section 135 (5) [Refer point 7(d)]	52.12
(ii)	Total amount spent for the Financial Year	57.54
(iii)	Excess amount spent for the financial year [(ii) – (i)]	5.42
(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)]	5.42

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 ₹ Crore)	Amount spent in the reporting Financial Year (in ₹ Crore)	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 ₹ Crore)
				Name of the Fund	Amount (in ₹ Crore)	Date of transfer	
NIL							

(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 ₹ Crore)	Amount spent on the project in the reporting Financial Year (in ₹ Crore)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Crore)	Status of the project -Completed/ Ongoing
NIL								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

(a)	Date of creation or acquisition of the capital asset(s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	NIL
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. **Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5)** — Not applicable

H. M. Bangur
Managing Director
DIN: 00244329

Nitin Dayalji Desai
Chairman – Corporate Social and Business Responsibility Committee
DIN: 02895410

Place: Kolkata
Date: 21st May, 2022

Annexure to CSR Report (Point 8 (c) of the CSR Report)

(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 crore)	Mode of implementation - Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Organizing health camps, running health management centres, running mother & child healthcare programs, developing sanitation facilities and raising awareness, support to victims & accidents and expenses on COVID-19 mitigation and relief measures	**Item (i):** Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	Rajasthan, Uttarakhand, Chhattisgarh, Haryana, Bihar, Uttar Pradesh, Karnataka, Jharkhand, Odisha, Maharashtra, Gujarat, West Bengal	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Roorkee, Baloda Bazar, Panipat, Aurangabad, Jamui, Bulandshahr, Kalaburgi, Seraikela-Kharsawan, Cuttack, Pune, Bhuj, Bardhman	4.85	Yes*	Shree Foundation Trust	CSR00000358
								Yuva Un-stoppable	CSR00000473
2.	Water supply through tankers and construction/ repair/ renovation of water tanks, hand-pumps in nearby communities	**Item (i):** Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	Rajasthan, Chhattisgarh, Uttar Pradesh, Jharkhand, Haryana, Uttarakhand	Ajmer, Pali, Jaipur, Alwar, Baloda Bazar, Bulandshahr, Panipat, Roorkee, Seraikela-Kharsawan	0.25	Yes*	Shree Foundation Trust	CSR00000358
3.	Support for improved agriculture yield, distribution of high quality seeds and agriculture equipment to farmers	**Item (ii):** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan, Chhattisgarh	Ajmer, Pali, Baloda Bazar	0.37	Yes	Shree Foundation Trust	CSR00000358

(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 crore)	Mode of implementation - Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
4.	Financial assistance, civil works, furniture & fixtures, education material, sanitation facilities, uniforms, etc. in govt. schools, celebration of national days, imparting computer education and training, financial assistance to needy students, company run schools, Shree Ki Pathshala project, on-site training to ITI pass outs and Project Muskan	**Item (ii):** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan, Chhattisgarh, Haryana, Uttar Pradesh, Jharkhand, Odisha, Karnataka, Gujarat, West Bengal	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Baloda Bazar, Panipat, Bulandshahr, Ahmedabad, Kalaburgi, Seraikela-Kharsawan, Cuttack, Kolkata	6.44	Yes*	Shree Foundation Trust	CSR00000358
								Education for All Trust	CSR00004554
5.	Support for marriage of BPL girls of marginalized communities, financial assistance on birth of girl child, training and skill development of rural women and formation of SHG for undertaking entrepreneurial activities	**Item (iii):** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Rajasthan, Uttarakhand, Chhattisgarh, Haryana, Jharkhand	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Panipat, Roorkee, Baloda Bazar, Seraikela-Kharsawan	0.33	Yes	Shree Foundation Trust	CSR00000358

(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 crore)	Mode of implementation - Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
6.	Basic facilities, security and medical services to old-aged people, distribution of essential items, food, etc. to needy people on various occasions and ad-hoc basis	**Item (iii):** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Rajasthan, Uttarakhand, Haryana, Jharkhand, West Bengal, Maharashtra	Ajmer, Ras, Alwar, Panipat, Roorkee, Seraikela-Kharsawan, Kolkata, Bardhman, Pune	3.06	Yes*	Shree Foundation Trust	CSR00000358
								The Bengal	CSR00000583
7.	Tree plantation in schools and nearby areas, green belt development, nurturing and maintenance of plants and saplings, support for livestock management, construction of feed mangers for farming cattle	**Item (iv):** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Bihar, Chhattisgarh, Haryana, Jharkhand	Ajmer, Pali, Jaipur, Alwar, Jhunjhunu, Sriganganagar, Roorkee, Bulandshahr, Aurangabad, Baloda Bazar, Panipat, Seraikela-Kharsawan	1.90	Yes*	Shree Foundation Trust	CSR00000358
8.	Support for rural cultural programs, festivals and melas, development works at various social and religious places/institutions of nearby areas, contributions for various events to promote & protect art, music, dance, literature, poetry, theatre, social welfare, etc. and support to institutions of repute engaged in activities in line with the CSR policy	**Item (v):** Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Yes	Rajasthan, Uttar Pradesh, Chhattisgarh, Haryana, Uttarakhand, Karnataka, Jharkhand, Odisha, Maharashtra, West Bengal, Bihar	Ajmer, Pali, Alwar, Jaipur, Bulandshahr, Baloda Bazar, Panipat, Roorkee, Aurangabad, Kalaburgi, Seraikela-Kharsawan, Cuttack, Pune, Kolkata	13.39	Yes*	Shree Foundation Trust	CSR00000358
								Prabha Khaitan Foundation	CSR00000566
								Rajasthan Forum	CSR00000646

(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 crore)**	**Mode of implementation - Direct (Yes / No)**	**Mode of implementation – Through implementing agency**	
				State	**District**			**Name**	**CSR Registration Number**
9.	Project Naman – assistance and support to dependents of martyrs of armed forces	**Item (vi):** Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows	Yes	Project covers beneficiaries all across India		0.31	Yes	-	-
10.	Assistance and support in organizing sporting tournaments in schools and nearby areas, distribution of sports equipment to students and needy	**Item (vii):** Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports	Yes	Rajasthan, Haryana, Bihar, Jharkhand, Karnataka, Uttar Pradesh	Ajmer, Pali, Alwar, Roorkee, Sriganganagar, Etah, Aurangabad, Panipat, Kalaburgi, Saraikela Kharswan	0.33	Yes*	Shree Foundation Trust	CSR00000358
11.	Construction/ repair of roads in nearby villages, construction, repair and maintenance of various community assets, infrastructure support/ facilities development in Govt. institutions, providing construction material for various structures/ buildings	**Item (x):** Rural development projects	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Chhattisgarh, Haryana, Bihar, Karnataka, Jharkhand, Odisha, Maharashtra, Andhra Pradesh, West Bengal	Ajmer, Pali, Alwar, Jaipur, Sriganganagar, Jhunjhunu, Roorkee, Bulandshahr, Baloda Bazar, Panipat, Aurangabad, Kalaburgi, Saraikela Kharswan, Cuttack, Bardhaman, Guntur, Pune	23.53	Yes*	Shree Foundation Trust	CSR00000358
	TOTAL					**54.76**			

**programs undertaken directly as well through implementing agencies – refer details of implementing agencies in column 8.*

Annexure-3 to the Board's Report

[Information regarding Conservation of Energy, Technology Absorption and Total Foreign Exchange Earning and Outgo pursuant to Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of Energy

- Installation of Centrifugal Compressor with Regenerative Dryer in place of Reciprocating Compressors
- Installation of Screw Compressor with VFD in place of reciprocating compressors at Grinding Units
- Installation of LP Screw Compressor in place of HP compressor for bulker unloading
- Utilization of renewable energy like solar, wind and waste heat recovery
- Installation of latest design New Energy Efficient fans in place of existing inefficient fans
- Optimization of pumping system by changing pipe layout and by replacement of old pumps with energy efficient pumps
- Installed Computational Fluid Dynamics (CFD) of different ducts to reduce pressure drop across ducts
- Installation of VFD and MVD at various drives
- Replacement of ducts and Cement Mill classifier with energy efficient classifier
- Replacement of conventional light (CFL, Tube lights) with LED & Solar lights at various locations
- Feedback to bag filter fans from Bag filter suction pressure to vary fan RPM
- Conversion of beam aeration to chamber aeration system in the Cooler section
- Reduction in Cooler fans power consumption by modification in inlet duct and replacing with new energy efficient fans
- Idle running optimization by modification in circuit
- ACC Fans Blade Tip clearance reduced to optimize the fan efficiency
- Installation of clinker dust Cooler in AQC boiler to increase heat recovery from clinker dust
- Additional LP steam line Installed in Waste Heat Power Plant to reduce pressure drop in LP steam
- Replacement of Steam and Feed Water line flow element with Low DP elements to reduce Steam and feed water Line pressure drop
- Vacuum deaerator pump power optimization done by providing auto operation logic in pump with deaerator vacuum.

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

- Installed Renewable Energy Power Plants at various plant locations
- Use of Alternative fuel for clinker production.
- Increase in capacity of waste heat recovery power plants
- Commissioning of new synthetic gypsum plant.

(c) Capital investment on energy conservation equipment's: ₹ 451.92 Crore

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption

- Internal Computational Fluid Dynamic (CFD) cell establishment with purchasing of latest software module
- Adoption of Centrifugal Compressor technology first time in Indian Cement Industry with waste heat recovery system
- AFR feeding and shredder system, to improve the utilization of AFR in controlled manner
- Adoption of latest LP compressor technology for bulker unloading
- Adoption of PXP (Auto Intelligence system) to enhance the productivity
- Adoption of PSD (particle size distribution) analyzer technology for raw mill grinding to improve the quality and energy efficiency of the grinding system
- Dedicated internal Energy Management Cell to carry out energy audit and technology up gradations
- The Company has leading research & development centres at Beawar and Ras, both of which are recognised by Department of Science & Industrial Research (DSIR), Government of India. It makes continuous

efforts towards adoption and implementation of new technologies, which assist in reducing the Company's carbon footprint

- Company's officials participate in various national and international seminars on technology up-gradation, adaptions & innovation and share knowledge at various global forums at National & International platforms.

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

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

(iii) Information regarding imported technology (imported during last three years)

Details of technology imported	Technology import from	Year of Import	Status implementation / absorption
-	-	-	-

(iv) Expenditure incurred on Research and Development

(₹ in Crore)

Particulars	2021-22						2020-21
	Beawar	Ras	Kodla	Raipur	Others	Total	Total
Capital	0.14	1.68	-	-	0.74	2.56	6.32
Revenue	4.48	7.58	2.50	3.35	4.38	22.29	21.54
Total	**4.62**	**9.26**	**2.50**	**3.35**	**5.12**	**24.85**	**27.86**
Total R&D Expenditure as a % of Turnover						**0.17%**	**0.22%**

(C) TOTAL FOREIGN EXCHANGE EARNING AND OUTGO

(₹ in Crore)

Particulars	2021-22	2020-21
Earned	187.91	23.28
Outgo	2,065.36	1,271.99

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Kolkata
Date : 21st May, 2022

Annexure-4 to the Board's Report

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

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22, the percentage increase in remuneration of each Director, Chief Finance Officer and Company Secretary during the financial year 2021-22 are as under:

Sl. No.	Name of Director / KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in the remuneration for the Financial Year 2021-22
1	Shri B.G. Bangur - Chairman (Non-Executive)	No sitting fee/commission paid	
2	Shri H.M. Bangur - Managing Director / KMP	721.8	10.0%
3	Shri Prashant Bangur - Jt. Managing Director / KMP	395.0	13.5%
4	Shri P.N. Chhangani - Whole Time Director / KMP	76.6	8.4%
5	Shri R. L. Gaggar - Independent & Non-Executive	5.1	-14.3%
6	Shri Shreekant Somany - Independent & Non-Executive	5.5	-5.5%
7	Dr. Y.K. Alagh - Independent & Non-Executive	5.8	-1.8%
8	Shri Nitin Dayalji Desai - Independent & Non-Executive	5.8	0.0%
9	Shri Sanjiv Krishnaji Shelgikar - Independent & Non-Executive	5.9	3.7%
10	Ms. Uma Ghurka - Independent & Non-Executive	5.3	0.0%
11	Shri O.P. Setia - Independent & Non-Executive	3.6*	-40.1%*

* Ceased as Director of the Company w.e.f. 29th October, 2021 (Close of business hours).

Key Managerial Personnel (Other than Managing Director, Joint Managing Director and Whole Time Director)

1	Shri S. S. Khandelwal - Company Secretary	Not Applicable	11.5%
2	Shri Subhash Jajoo - Chief Finance Officer	Not Applicable	9.4%

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

There was 9.73% increase in the median remuneration of employees during 2021-22.

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

No. of Permanent Employees on the rolls of the Company as on 31st March, 2022 were 6,445.

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

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 10.74% whereas the increase in the managerial remuneration was 11.00%. The remuneration of Working Directors is decided based on Industry trend, remuneration package in other comparable Corporates, Job contents, key performance areas and Company's performance.

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

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

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Kolkata
Date: 21st May, 2022

Annexure-5 to the Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2022

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To
The Members,
Shree Cement Limited
Bangur Nagar, Beawar,
Rajasthan-305 901

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Shree Cement Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Shree Cement Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 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 financial year ended on **31st March, 2022** according to the provisions of:

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

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

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

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

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

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

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

(c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 to the extent applicable, prior to its repealment;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the reporting period under audit)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the reporting period under audit)**

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the reporting period under audit)** &

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the reporting period under audit)**

VI. Company has complied with the following laws applicable specifically to the company

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

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

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

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

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

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

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

We further report that, during the year under review:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent atleast seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

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

We further report that during the audit period, we have not found any material event during the year under review which has major bearing on the Company's affairs in pursuance of any of the laws, rules, regulations or guidelines covered by this audit.

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

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

Place: Jaipur
Date: 17th May, 2022
UDIN: F011285D000332540

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

Annexure-A to the Secretarial Audit Report

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

The above report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, We followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, We have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

Place: Jaipur
Date: 17th May, 2022
UDIN: F011285D000332540

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26943RJ1979PLC001935
2.	Name of the Company	Shree Cement Limited
3.	Registered address	Bangur Nagar, Beawar–305901, District - Ajmer, Rajasthan
4.	Website	www.shreecement.com
5.	E-mail id	shreebwr@shreecement.com
6.	Financial Year reported	1st April, 2021 to 31st March, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	**Group:** 239; **Class:** 2394; **Sub Class:** 23941, 23942; **Description:** Manufacture of clinker and cement *[Source: National Industrial Classification Code (NIC)]*
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Ordinary Portland Cement, Portland Pozzolana Cement, Portland Slag Cement and Composite Cement
9.	Total number of locations where business activity is undertaken by the Company	**a. Number of International Locations (provide details of major 5):** Company operates in United Arab Emirates through its subsidiaries. **b. Number of National Locations:** Operative Cement Plants at 14 locations, Registered Office, Corporate Office and Marketing Offices.
10.	Markets served by the Company	Local ✓; State ✓; National ✓; International ✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

1.	Paid up Capital (INR)	36.08 Crore
2.	Total Turnover (INR)	14,305.88 Crore
3.	Total profit after taxes (INR)	2,376.62 Crore
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.17% of average net profit of last three financial years computed as per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) (CSR spent is ₹ 57.54 Crore)
5.	List of activities in which expenditure in 4 above has been incurred	Major activities are as under: - (a) Literacy and Education for the community (b) Livelihood, Income generation and support to farmers (c) Healthcare programs and arranging safe drinking water (d) Women empowerment and skill development (e) Helping old age people, needy and orphans (f) Community infrastructure and rural development (g) Measures to benefit dependents of martyrs of armed forces (h) Promotion of art and culture and social welfare (i) Environment sustainability (j) Promotion of sports

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
   Yes. As on 31st March, 2022; the Company had 10 (ten) subsidiaries, 5 (five) domestic and 5(five) foreign.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**
   None of the domestic subsidiaries has material business operations at present. Out of five foreign subsidiaries, one subsidiary has material business operations in United Arab Emirates. The said subsidiary complies with applicable laws concerning economic, social and environment discipline in its jurisdiction.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

Other entities are encouraged to participate in BR initiatives of the Company to the extent possible but their participation level cannot be measured and expressed in terms of percentage.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of Director/ Director responsible for implementation of BR policy/ policies

1. DIN: 08189579
2. Name: Shri P. N. Chhangani
3. Designation: Whole Time Director

b) Details of the BR head

No.	Particulars	Details
1.	DIN (if applicable)	N.A.
2.	Name	Shri Shrinath Savoor
3.	Designation	Chief Sustainability Officer
4.	Telephone number	+91-1462-228101-6
5.	e-mail id	sustainability@shreecement.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliances (Reply in Y/N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs have identified nine areas of Business Responsibility which have been coined in the form of nine business principles. These principles are as under –

P–1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P–2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P–3	Businesses should promote the well-being of all employees.
P–4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P–5	Businesses should respect and promote human rights.
P–6	Businesses should respect, protect, and make efforts to restore the environment.
P–7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P–8	Businesses should support inclusive growth and equitable development.
P–9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	**Do you have a policy/ policies for..**	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	**Has the policy been formulated in consultation with the relevant stakeholders?**	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3.	**Does the policy conform to any national / international standards? If yes, specify? (50 words)**	Company has adopted various standards specified by the International Organization for Standardization (ISO). These are- a) ISO 9001:2015 for Quality management systems b) ISO 14001:2015 for Environment management systems c) ISO 50001:2018 Energy management systems d) ISO 45001:2018 for Occupational Health and Safety management systems Apart from these, other standards which the Company follows are: a) IS/ISO 45001: 2018 for Occupational Health and Safety Management System (Bureau of Indian Standard, Govt. of India) b) International Labour Organisation (ILO) Guidelines c) UN Global Compact (UNGC) and International Finance Corporation (IFC) guidelines for specific aspects of cement sector d) National Voluntary Guidelines (NVG) given by Ministry of Corporate Affairs for Social, Environment and Economic responsibility of business e) Global Reporting Initiative standards f) Cement Standard IS 269:2015, IS 455:2015, IS 1489(Part-1):2015, IS 6909:1990, IS 16415:2015, IS 2185(Part-3):1984, IS 8041:1990 by Bureau of Indian Standard, Govt. of India Company is also member of Global Cement and Concrete Association (GCCA) at global and national level and complying its guidelines on sustainability aspect. All policies on the principles mentioned above are in compliance with these standards and statutory requirements of applicable laws of jurisdiction in which the Company operates. Other than these, the policies are based on the generally accepted practices for the respective principles.								
4.	**Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	**Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?**	Yes. The Board has constituted Corporate Social and Business Responsibility (CSBR) Committee consisting of 5 Directors which is responsible for overseeing implementation of various policies adopted by the Company concerning Business Responsibility. At executive level, there is Environment Social and Governance (ESG) Committee consisting of Senior Executives of the Company to monitor and implement the policies. Company's Remuneration Policy provides ESG/ sustainability performance as one the factor to be considered while determining the remuneration of Directors, Key Management Personnel and other employees of the Company. This provides impetus on implementation of various sustainability measures across the organization.								
6.	**Indicate the link for the policy to be viewed online?**	https://www.shreecement.com/investors/policies								
7.	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	Communication is an on-going process. For this purpose, the policies have been uploaded on the Company's website for information of all stakeholders. For internal stakeholders, appropriate communication means such as notice boards, company magazine, intranet portal, etc. are used. Also a reference to these policies is also made within Company's Corporate Sustainability Report released every year for all its stakeholders.								
8.	**Does the company have in-house structure to implement the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9.	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	**Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?**	As part of compliance with the ISO and other standards adopted by the Company, an external agency evaluates the implementation of the standards on an annual basis. Apart from this, Company also has a system of undertaking regular audit/ review of the implementation of various standards/ compliance of applicable laws, provisions of which have been imbibed in the policies. Separately, the Company undergoes annual ESG assurance through an external consultant who assures all the non-financial performance of Company based on internationally recognized standards such as AA100AS. This inter alia contains compliances with policies and frameworks adopted by the Company with respect to various environmental and social indicator.								

(b) If answer to question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	**The company has not understood the Principles**	–	–	–	–	–	–	–	–	–
2.	**The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles**	–	–	–	–	–	–	–	–	–
3.	**The company does not have financial or manpower resources available for the task**	–	–	–	–	–	–	–	–	–
4.	**It is planned to be done within next 6 months**	–	–	–	–	–	–	–	–	–
5.	**It is planned to be done within the next 1 year**	–	–	–	–	–	–	–	–	–
6.	**Any other reason (please specify)**	–	–	–	–	–	–	–	–	–

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Corporate Social and Business Responsibility Committee of the Board annually reviews and assesses the BR performance of the Company.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Company publishes Corporate Sustainability Report on annual basis which is GRI compliant and assured by an independent certifying agency. Hyperlink to view reports published by the Company is https://www.shreecement.com/sustainability/sustainability-reports.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE – 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Company's Policy on Ethics, Transparency and Accountability and Code of Conduct is applicable on its Board of Directors, senior management officials and all other employees of the Company which inter alia covers aspects of bribery and corruption. Company also has Anti-Bribery and Anti-Corruption Policy covering all its directors, employees, workers and external parties working on its behalf which emphasize Company's zero tolerance approach to bribery and corruption. Company's foreign material subsidiary has its own policy and guidelines governing ethics, bribery and corruption commensurate to laws of jurisdiction in which it operates. The Company, as far as possible, encourages all the associated parties including vendors, suppliers and contractors to follow the principles envisaged in the policy.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**
   There were 9 complaints received from the investors during the year 2021-22. All these complaints were properly attended and necessary actions were taken. Proper investigation was carried out in respect of complaints received as part of vigil mechanism.

PRINCIPLE – 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**
   The Company is producing blended cement under following categories: Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and Composite Cement (CC) conforming strictly to the specified BIS norms. Blended cement contributes to sustainable design by making concrete stronger and durable, reducing consumption of natural resources such as limestone, lowering greenhouse gas emissions, and contributes to a circular economy by utilizing wastes from power, iron and steel plants. Use of blended cement also has cost benefits for consumers.

   Additionally, the Company has strong focus on reducing the usage of virgin natural resources in cement manufacturing process. In its operations, it has deployed best-in-class technology and processes which optimally utilize resources and leave minimal footprints. Company's specific efforts in addressing environmental concerns in its operations include the following: -

- Utilizing fly-ash/slag, petcoke and other waste materials in cement manufacturing to substitute natural materials & fuels;
- Implementation of Waste Heat Recovery Plants to capture waste heat of kilns and utilize the same for power generation and resultantly save fossil fuels;
- Installation of in-house synthetic gypsum plants for replacing consumption of mineral gypsum;
- Installation of Air Cooled Condensers (ACC) in place of Water Cooled Condensers (WCC) in all its thermal power plants including 300 MW power plant to conserve water;
- Implementation of Ambient Air Quality Monitoring System (AAQMS) and Continuous Emission Monitoring System (CEMS) for better emission monitoring and online reporting to Pollution Control Boards;
- Installation of De-NOx system for the control of NOx emissions;
- Installation and up-gradation of bag filters at various manufacturing facilities for emission reduction;
- Installed Flue Gas Desulphurization (FGD) units in its captive thermal power plants years before the mandate arrived for such installations;
- Installation of wind and solar power plants for increasing share of renewable power in captive power consumption;
- Continual improvement in efficiency to bring down station heat rate and auxiliary consumption in the thermal power plants;
- Utilization of sewage water after proper treatment in Sewage Treatment Plant (STP); and
- Installation of organic waste convertor for treatment and disposal of household waste in colony.

Company's R&D center constantly experiments to find out ways of using marginal grade limestone with high grade limestone for producing high quality cement. For water conservation, the Company has been continuously exploring opportunities to increase use of recycled water and reduce water consumption in its operations. Additionally, the Company has been undertaking various studies for exploring ways for recharge of ground water in nearby areas.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

Resources	Unit of measurement	2021-22	2020-21
Electricity	kWh/ton of cement	67.15	68.65
Fuel	KCal/ kg of clinker	733	727

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The data regarding reduction during usage by consumers (energy, water) is not available with the Company.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Company's sourcing practices are targeted to achieve cost optimization, ensuring environment sustainability and resource efficiency. The criteria used for selection of suppliers/ vendors go beyond cost relevance and include resource efficiency, product quality, life cycle, environment impact, etc. Selected new suppliers are also assessed through third party to understand their capabilities, processes, strengths for on-boarding while providing due weightage to Environmental and Social parameters. Our vendor agreements have adequate environmental and social safeguards in place. We sign code of conduct with our suppliers/ vendors for inclusion of sustainability practices at their workplace as well.

Limestone, the primary raw material, is captively extracted by the Company from its limestone mines using latest mining techniques for cost optimization and waste reduction. These limestone mines are located in vicinity to Company's clinker manufacturing facilities which reduces cost of transportation of the material. For procurement of other materials and items, Company gives preference to vendors which comply with the various principles of sustainability. Engagement of transporters is done based on conditions like young vehicles, need for drivers to carry pollution certificates, drivers and support staff to always carry safety aprons, having valid driving license, etc. Company continuously strives for load and route optimization to ensure fuel and environmental efficiency of the fleets. We are also engaged in rail transportation of material at various locations which is a cost effective and environment friendly alternative of material transportation. Apart from these, Company also calculates and reports on transportation and inbound and outbound logistics related GHG emissions- as a part of Company's Scope 3 emissions. This gives it opportunity to keep assessing its logistics strategy and also helps in being transparent about our emission footprint.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Company accords priority to local suppliers in procurement of raw materials, stores and spares and other consumables. Company's contractors who supply labour services for plant operations, housekeeping, horticulture, general maintenance and varied other purposes employ workmen from nearby communities. This workforce is provided training on occupational health and safety aspects before commencing work.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Company's product i.e. cement has high life span and is generally not meant for recycling. Also cement manufacturing process as such does not involve production of any by-products or waste. Fly-ash and slag, solid wastes generated from operation of thermal power plants and iron and steel industry is utilized in production of blended cement. Spent Sulphuric acid, waste from lead and zinc industry, is utilized to manufacture synthetic gypsum using low-grade limestone. Hazardous waste being generated from allied activities include used oil, batteries, e-waste and bio-medical waste. All hazardous waste generated is being disposed in strict compliance to the applicable regulations. Further, used oil generated is being co-processed within our cement operations wherever feasible. Other miscellaneous non-hazardous waste (including scrap) is sold to recyclers. 100% of the waste water is being reused/recycled within our own premises and all our facilities have zero waste water discharge. This apart, Company also utilizes waste of other industries in the form of Alternative Fuels and Raw Materials (AFR) in cement production process which ultimately provides feasible solution to industrial waste disposal.

PRINCIPLE – 3 Businesses should promote the well-being of all employees.

1. **Please indicate the total number of employees.**
   The total number of employees as on 31st March, 2022 was 6,445.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**
   Total temporary/Contractual/ Casual employees including retainers were 13,019 as on 31st March, 2022.

3. **Please indicate the number of permanent women employees.**
   There were 37 permanent women employees as on 31st March, 2022.

4. **Please indicate the number of permanent employees with disabilities.**
   There were 5 permanent employees with disabilities as on 31st March, 2022.

5. **Do you have an employee association that is recognized by management?**
   Yes, the Company has recognized trade unions affiliated to various trade union bodies.

6. **What percentage of your permanent employees is members of this recognized employee association?**
   4.47% of total permanent employees are members of trade unions as on 31st March, 2022.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Type of employee	Total no. as on 31st March, 2022	Training imparted to number of persons during the year	% Training
Permanent Employees	6,445	5,654	88%
Permanent Women Employees	37	28	76%
Casual/ Temporary/ Contractual Employees*	13,019	11,691	90%
Employees with Disabilities	5	4	80%

**includes employees hired through contractors including retainers. Casual/ Contractual employees were covered under safety & compliance training*

PRINCIPLE – 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the company mapped its internal and external stakeholders? Yes/No**
   Company periodically conducts stakeholder engagement process and through constant dialogue with them, Company identifies key material issues which could impact its performance. Company's annual Sustainability Report provides details on its stakeholder engagement and material issue identification process.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**
   Company considers people from low strata of the local communities around its manufacturing units and its contract workers as disadvantaged, vulnerable and marginalized stakeholder.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**
   Company's initiatives in the field of Corporate Social Responsibility are intended to cover

wide spectrum of communities including the disadvantaged, vulnerable and marginalised stakeholders. These initiatives include areas like education, healthcare, livelihood support, rural and infrastructure development, support to elderly and needy people, community hygiene and sanitation, women empowerment, etc. and are carried out by CSR arm of the Company - Shree Foundation Trust alongwith other implementing agencies. Company engages with local community to ascertain their needs for planning, coordinating and routine monitoring of its CSR activities and programs.

PRINCIPLE – 5 Businesses should respect and promote human rights.

1. **Does the policy of the company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?**
   The policy on human rights covers the Company only. Our foreign material subsidiary has its own policy and guidelines governing human rights commensurate to laws of jurisdiction in which it operates. Further Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   Company did not receive any stakeholder complaint in FY 2021-22 relating to human rights.

PRINCIPLE – 6 Businesses should respect, protect, and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**
   The policy on environment covers the Company only. Our foreign material subsidiary has its own policy and guidelines governing environment protection commensurate to laws of jurisdiction in which it operates. The Company encourages the parties associated with it to follow the governing principles of this policy for protection and restoration of environment.

2. **Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**
   Yes. Company's initiatives such as installation of Waste Heat Recovery Plants, renewable energy power plants, Air Cooled Condensers in thermal power plants, in-house production of synthetic gypsum using patented technology, energy conservation and efficiency measures, etc. are aimed to address global warming and climate change issues. This apart, Company is a member of various global forums which enables it to benchmark its practices with the international standards and provides it a forum to participate in global environmental initiatives. Company voluntarily discloses its carbon emissions in the Carbon Disclosure Project (CDP).

   Company collaborated with its peers in cement sector in developing the first country-specific sectoral roadmap based on the WBCSD's SDG Sector Roadmap Guidelines framework. It has translated the spirit of SDGs to specific business goals such as increasing share of green energy in manufacturing process, reduce dependency on mineral gypsum, continuously increase use of harvested and recycled water and improve thermal substitution rate.

   Company annually keeps its stakeholders updated about its sustainability measures and performance through GRI compliant Corporate Sustainability Report, the web link of which is https://www.shreecement.com/sustainability/sustainability-reports.

3. **Does the company identify and assess potential environmental risks? Y/N**
   Yes. Company has Enterprise Risk Management framework in place to identify and assess material risks across its operations.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**
   Company was the first cement company in India to register its project 'Optimum Utilization of Clinker' with the United Nations Framework Convention on Climate Change (UNFCCC) under the Clean Development Mechanism (CDM) wherein it was granted 4,50,000 units of Certified Emission Reductions (CERs) by UNFCCC. Currently, the Company has two projects viz. Waste Heat Recovery based power generation at Ras and generation of power through Wind Power Plant at Kodla registered with Gold standard as VCS.

   There is no requirement of filing environment compliance report. A validation and verification report is required to be submitted and the same has been filed, wherever required.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**
   Yes. Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. Details of these initiatives are covered in the Corporate Sustainability Report issued by the Company every year. The web link for the above reports is https://www.shreecement.com/sustainability/sustainability-reports.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
   Emissions/ wastes generated by the Company were within the permissible limits set by CPCB/SPCB for the relevant financial year. The Company ensures submission of report on the emission levels to CPCB/SPCB at regular intervals.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
   No such cases pending at the end of financial year 2021-22.

PRINCIPLE – 7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**
   The Company is member of following trade chambers, associations and forums which make effort towards climate change, global warming and sustainable business development–
   a. Cement Manufacturers' Association (CMA)
   b. The Energy and Resource Institute (TERI)
   c. Member of Technical Committee - Bureau of Energy Efficiency (BEE)
   d. Global Reporting Initiative (GRI) Community
   e. Confederation of Indian Industries (CII)
   f. Federation of Indian Chamber of Commerce and Industry (FICCI)
   g. National Council for Cement & Building Materials (NCCBM)
   h. Global Cement and Concrete Association (GCCA) (national and global membership)
   i. Technology and Action for Rural Advancement (TARA)
   j. Indian Institute of Technology (IIT) Delhi

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
   Yes, the Company has utilized these forums for advocating framing of policies for advancement of public good. Some of them are as below:
   a. Promoted concreted cemented roads through CMA which are beneficial, eco-friendly and cheaper than the conventional tar roads in long term;
   b. Recommended for increased use of fly-ash in cement manufacturing;
   c. Promoted installation of Waste Heat Recovery Plants in cement manufacturing units which capture hot gases to generate power without using any fossil fuel;
   d. Associated with National Council for Cement and Building Materials (NCCBM) in its Research Advisory Committee contributing in research and development of building materials;
   e. Provided inputs to Bureau of Energy Efficiency (BEE) for Perform, Achieve and Trade (PAT) cycles;
   f. Engaged in development and promotion of best sustainability practices through Global Cement and Concrete Association (GCCA);
   g. Study on novel technologies of Carbon Capture Utilization and Storage for advancement and commercialization under aegis of GCCA through INNOVANDI initiative;
   h. Exploring possibilities of utilizing Red Mud in raw mix with CMA;
   i. Exploring possibility of production of Calcined Clay Cement to lower clinker factor in cement production with IITD/TARA.

PRINCIPLE – 8 Businesses should support inclusive growth and equitable development.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company has specified programs in pursuit of its policy on inclusive growth and equitable development. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. A Board constituted committee oversees the implementation of such activities and programs of the Company. The details of various initiatives undertaken by the Company towards inclusive growth and development are given below: -

- **Literacy and Education for the Community**
  - For improving the quality of education in areas in the vicinity of its plants, Company through its dedicated school support programs:-
    - » equips government schools with basic facilities like furniture, stools, tables, teaching and study material.
    - » undertakes infrastructure creation and otherwise supplements efforts of the Govt. for providing basic education to rural communities.
    - » pays honorarium for deputation of additional teachers in Government schools.
    - » runs in-house CBSE affiliated schools in residential colonies of integrated plants for imparting quality education to children of nearby communities.
  - Company has established computer literacy centres and conducts computer literacy programmes for students and villagers.
  - Company, under its 'Shree Ki Pathshala' project, is organizing tuition facility to students of nearby community appearing for 10th standard exams. Company provides support to needy students by providing scholarships and extended financial assistance to needy to undertake further/ higher studies.
  - Company is also undertaking Project Muskan in collaboration with 'Education for All', Kolkata to popularize heritage literature and culture among young children nationwide by weaving it into formal and informal education through student activity.

- **Livelihood, Income Generation and support to farmers**
  - Company, by organising visits of farmers to nearby Krishi Vigyan Kendra, provides training of new farming techniques to farmers to improve their farming productivity. Company also provides agriculture tools (like sprayer machine, sprinkler sets, HDPE pipes) to farmers and distributes high quality seeds at subsidized rates for improved yield. For improving productivity of livestock which is one of the major sources of livelihood of nearby rural communities, Company provides fodder seeds for cultivation and availability of green fodder for cattle throughout the year. It has given financial assistance for construction of feed manger in individual households to minimise wastage of fodder during cattle feeding.
  - Company conducts vocational trainings to ITI passed students of nearby areas in its mining operations wherein the students integrate knowledge gained through their classroom learning with the competencies of actual professional setting to enhance their employability.

- **Healthcare programs and arranging safe drinking water**
  - Company's 24X7 Health Management Centres provide primary healthcare services to local communities. These centres are equipped with all facilities to meet primary and emergency medical needs of nearby communities. Ambulance services are also made available from these centres for critical and emergency cases for people of nearby communities. In 'Mamta Project', Company organises health camps and arranges doctors' visits in the nearby villages for medical check-up of pregnant women and new-born children. To promote institutional delivery cases of pregnant women, Company has appointed volunteers (Sakhis) in nearby villages to act as health educators and counselors. To increase awareness about sanitation and hygiene in daily life, Company has undertaken Swachhta Project wherein initiative of organising awareness campaigns, distribution of dustbins, slogan writing on walls, schools rallies, celebration of cleanliness weeks, distribution of materials like calendars, diaries having messages about

sanitation and hygiene are undertaken. To maintain minimum supply levels during summer season and to otherwise augment the water supply in nearby villages, Company constructed public water huts, water tanks, installed bore wells & pumps and supplied RO water through tankers in nearby villages.

- To mitigate and curb the spread of COVID-19 pandemic in and around its surroundings and nearby localities, Company took precautionary measures such as distribution of masks and sanitizers, disinfectant sprays, disseminating awareness of hygiene and social distancing. To augment and maintain the oxygen supplies for critical patients in hospitals, Company refilled oxygen cylinders free-of-cost from its oxygen generation plants at its Ras, Baloda Bazar and Kodla facilities. Company also procured and provided oxygen concentrators to govt. hospitals and made financial contributions for construction of COVID beds.

- **Women empowerment and skill development**
  - Under 'Shree Shakti Project', Company promotes formation of Self-help groups (SHGs) of local rural women to help inculcating a habit of saving and creating corpus. Members of these groups with own corpus and financial assistance from lending institutions undertake entrepreneurial assignments. For skill development of rural women, Company conducted various vocational training programmes on sewing and cutting, bag making, beauty parloring, carding and spinning, hand embroidery, etc.
  - In order to reduce girl infant mortality, Company under its 'Save the Girl Child Campaign' provided help in the form of a fixed deposit of ₹ 5,000 at the time of birth of girl child which is available to her after attaining 18 years of age. Company provides basic essential items (like utensil set, sewing machine, bed, cooking stove, cooker, wedding attires, etc.) on the occasion of marriage of girl of BPL families.

- **Helping old age people, needy and orphans**
  - Company is supporting project 'Pronam' of "The Bengal" foundation for the elderly people of Kolkata under which medical services like ambulance, health check-ups, camps, etc. are organised. This project also provides safety and security services, daily-household help, psychological support, etc. to these people in co-ordination with Kolkata Police including legal help wherever necessary. Company on various religious and social occasions and as and when need arises, undertakes distribution of food, clothes, shoes, winter wears, medicine, etc. to people living in old age homes, orphan and needy people of nearby community to meet their daily essential requirements.

- **Community Infrastructure and Rural Development**
  In order to remove bottleneck of road connectivity in rural areas, Company has undertaken construction and repairing work of the roads in nearby villages of its plants. These roads will directly benefit the youth, students, farmers, wage earners, etc. in smooth and safe commute. This apart, Company undertakes civil works in nearby villages to systematically improve infrastructure base. Such work includes construction/ repair of public institutions, renovation of old buildings and community centres, construction of stages, boundary wall, stay rooms, waiting stands, etc. which are commonly used by the communities at large. The above initiatives inter alia improve accessibility of services, sustainable resource generation, socio-economic development leading to improvement in the quality of life of the community.

- **Promotion of art and culture and social welfare**
  - On the occasion of the anniversary of Lord Hanuman temple at Beawar, Company organises tableau (Jhankis) show highlighting rich Indian culture and heritage. Besides this, it is working towards protecting and promoting India's art, culture and heritage through various promotional and developmental projects and programmes especially organising local fairs, events, etc. in nearby communities which help conserving their traditions and practices.
  - The Company through its implementing partners undertake activities in the field of art, culture, music, dance, theatre, folk forms, literature and various socio-cultural development. With these interventions, the Company continues to work towards its goal of a peaceful and joyous society.

- **Measures to benefit dependents of martyrs of armed forces**
  The Company has institutionalized 'Project Naman' to support widows and dependents of armed forces martyred in the twenty-year period from 1st January, 1999 to 1st January, 2019. For the same, an official MOU has been entered into between Company and Kendriya Sainik Board.

- **Promotion of sports**
  To inculcate sporting habit and promote sports, Company provides contribution for organising various sporting events, activities, tournaments in schools and nearby areas. This apart, it also provides financial aid/ arranges sports equipment for needy people of nearby communities. Construction work of upgrading sporting infrastructure like stadium, grounds, etc. have also been undertaken so as to provide training and playing facilities to the budding players and enthusiasts.

- **Environment Sustainability**
  Company distributes saplings among farmers of nearby villages for plantation to cover the open areas and development of green belt. Company conducts school plantation programmes wherein it encourages students to plant trees. In nearby areas of its manufacturing facilities, the Company plants saplings with tree guards and carry out their maintenance to ensure their survival and growth.

2. **Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?**
   The projects are undertaken both by the internal teams and CSR arm of the Company Shree Foundation Trust as well as through/ in-coordination with external implementation agencies like NGOs, trusts and government institutions.

3. **Have you done any impact assessment of your initiative?**
   Yes, pursuant to requirement of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company has undertaken impact assessment study of the eligible CSR projects. This apart, the Company keeps engaging with local communities to discuss and understand their needs, identify the priority intervention areas and gauge the impact of its interventions.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**
   Company has spent an amount of ₹57.54 Crore on various CSR activities during year 2021-22. The details of the amount incurred and areas covered are given in question 1 above and in Annual Report on Corporate Social Responsibility Activities i.e. Annexure–2 to the Board's Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
   Yes. Company has a process of engaging with local community to understand their concern. CSR interventions are carried out on a 'need based approach' which are developed after consultations with the local community to ensure that the activities are adopted by them.

PRINCIPLE – 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**
   Company regularly conducts meetings with customers to educate, appraise and understand their concerns. All the concerns are taken up and resolved immediately to their satisfaction. There were, however, 27 consumer cases filed against the Company which were pending as on 31st March, 2022 and are being taken up by our legal and technical teams for disposal.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**
   Company displays all information as mandated to ensure full compliance with relevant laws.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
   i) Competition Commission of India (CCI) vide its order dated 31st August, 2016 for alleged violation of provisions of the Competition Act imposed a penalty of ₹397.51 Crore on the Company which was challenged by the Company in National Company Law Appellate Tribunal (earlier Competition Appellate Tribunal) (the 'Tribunal'). Based on submissions made by the Company, the Tribunal, by its order dated 7th November, 2016, stayed the operation of the order passed by CCI subject to deposition of 10 percent penalty amount in form of fixed deposit. The Company has complied with the conditions of the above order for stay and the appeal is now before the Tribunal.

   ii) In another matter, CCI had vide its order dated 19th January, 2017 imposed a penalty of ₹18.44 Crore on the Company in connection with a reference filed by the Government of Haryana in respect of tender invited by Director Supplies & Disposals, Haryana, for supply of cement. Company has filed an appeal in the Tribunal against the above order which has been stayed and the same is now before the Tribunal.

4. **Did your Company carry out any consumer survey/ satisfaction trends?**
   Consumer satisfaction survey is carried out every year to gauge consumer sentiments. The Company has put in place appropriate grievance handling mechanism to address customer concerns and gather feedback, based on which further appropriate measures and interventions are taken to increase customer satisfaction.

Report on Corporate Governance

CORPORATE GOVERNANCE PHILOSOPHY

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

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

BOARD OF DIRECTORS

Composition & Board Diversity

The Board of Directors ('the Board') comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to maintain the independence of the Board and also to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. As on date, the Board consists of eleven members, three of whom are Executive Directors, one Non-Executive (Non-Independent) Director (Chairman) and seven Independent Directors including one Women Director. The members of the Board are from diverse background having expertise in the fields of law, banking, economics, sustainability, energy conservation, finance & taxation, etc.

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

Skills/Expertise/Competence of the Board of Directors

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

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

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

Name of Directors	Understanding of Business / Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Shri B.G. Bangur	✓	✓	✓	✓	✓	✓
Shri H.M. Bangur	✓	✓	✓	✓	✓	✓
Shri Prashant Bangur	✓	✓	✓	✓	✓	✓
Shri P.N. Chhangani	✓	-	✓	✓	✓	✓
Shri R. L. Gaggar	✓	-	✓	✓	-	✓
Shri Shreekant Somany	✓	-	✓	✓	-	✓
Dr. Y.K. Alagh	✓	-	✓	✓	-	✓
Shri Nitin Dayalji Desai	✓	-	✓	✓	-	✓
Shri Sanjiv Krishnaji Shelgikar	✓	-	✓	✓	-	✓
Ms. Uma Ghurka	✓	-	✓	✓	-	✓
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	✓	-	✓	✓	-	✓
Mr. Zubair Ahmed (Appointed w.e.f. 21st May, 2022)	✓	✓	✓	✓	✓	✓

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

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

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

During the year Shri Om Prakash Setia, resigned from the position of the Independent Director of the Company effective from the close of Business Hours on 29th October, 2021 due to his personal reasons. Further, at the time of resignation, he also confirmed that there were no other material reasons for his resignation other than the one as mentioned above.

Category and Attendance of Directors
The names and categories of Directors, their attendance at the Board Meetings held during the year 2021-22 and at the last Annual General Meeting, and also the number of Directorships held by them in other Companies, Committee Membership / Chairmanship held by them, Directorship held in other listed entities and category of directorship are given below:-

Name of Director	Category		Attendance at AGM held on 9th August, 2021	No. of Board Meetings attended during 2021-22	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at 31st March, 2022	Directorship in other listed entity & Category of Directorship	Inter-se relationships among other Directors
Shri B.G. Bangur	Promoter Directors	Chairman (Non-Executive)	YES	4	1	-	-	0	-	Shri H. M. Bangur is son of Shri B. G. Bangur and father of Shri Prashant Bangur. Shri Prashant Bangur is son of Shri H. M. Bangur and grandson of Shri B. G. Bangur.
Shri H.M. Bangur	Promoter Directors	Managing Director	YES	4	-	-	-	4,88,284 (Refer note 1)	-	
Shri Prashant Bangur	Promoter Directors	Joint Managing Director	YES	4	3	-	-	3,89,750 (Refer note 2)	-	
Shri P.N. Chhangani	Professional Director	Whole-Time Director	YES	4	1	-	-	-	-	NIL
Shri R. L. Gaggar	Independent Director (Non-Executive)		YES	2	8	7	2	-	1. Duroply Industries Limited [formerly known as Sarda Plywood Industries Limited] (Independent Director) 2. TIL Limited (Independent Director) 3. International Combustion (India) Limited (Independent Director) 4. Sumedha Fiscal Services Limited (Independent Director)	
Shri Shreekant Somany	Independent Director (Non-Executive)		NO	3	4	3	-	-	1. Somany Ceramics Limited (Chairman & Managing Director) 2. JK Tyre & Industries Limited (Independent Director)	
Dr. Y.K. Alagh	Independent Director (Non-Executive)		YES	4	1	-	-	-	-	
Shri Nitin Dayalji Desai	Independent Director (Non-Executive)		YES	4	1	-	-	-	-	
Shri Sanjiv Krishnaji Shelgikar	Independent Director (Non-Executive)		YES	4	5	-	-	-	-	
Ms. Uma Ghurka	Independent Director (Non-Executive)		YES	4	5	-	-	-	-	
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent Director (Non-Executive)		YES	3	-	-	-	-	-	

Notes:

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

Four meetings of the Board of the Company were held during financial year 2021-22 i.e. on 21st May, 2021, 9th August, 2021, 29th October, 2021 and 4th February, 2022. The gap between any two meetings did not exceed 120 days.

Board Procedures

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

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

Board Independence

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

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

Separate Meeting of Independent Directors

The Independent Directors of the Board met, without the presence of any Non-independent Director and/or Management Representative, on 4th February, 2022 to inter-alia discuss the following:-

- Review of performance of Non-independent Directors;
- Review of performance of Board as a Whole;
- Review of Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Independent Directors were assisted by an independent external facilitator to carry out the evaluation process. The outcome of the meeting was apprised to the Chairman of the Company.

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

Induction and Familiarisation Programme for Independent Directors

A detailed presentation is provided to the Independent Directors of the Company at the time of their appointment, which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organisation structure, products, etc. The said presentation is also provided to existing Independent Directors every year.

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

Governance Structure

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

BOARD COMMITTEES

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

A. Audit Committee

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

A.1. Terms of Reference

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

- Review the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Director's Responsibility Statement of the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s), if any, in the draft audit report;
- Review the quarterly financial statements before submission to the Board for approval;
- Review the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and to make appropriate recommendations to the Board to take up steps in this matter;
- Reviewing the financial statements of subsidiaries in particular, the investments made by the unlisted subsidiaries of the Company, if any;
- Oversight Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing and monitoring the Auditor's independence & performance and effectiveness of audit process;
- Approval (including omnibus approval) or any subsequent modification of transactions with related parties;

- Scrutiny of inter-corporate loans and investments;
- Review the utilisation of loans and/ or advances / investment made in the subsidiary Company(ies) exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings & follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any areas of concern;
- To review the functioning of the whistle blower mechanism;
- Review of statement of deviations in terms of regulation 32 of the listing regulations;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Review the management discussion and analysis of financial condition and results of operations;
- Review the management letters / letters issued by the Statutory Auditors and internal audit reports on internal control weaknesses;
- Review statement of significant related party transactions;
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

A.2. Composition, meetings and attendance

All members of the Audit Committee are Independent Director and having good financial knowledge. Shri Shreekant Somany, Chairman of the Audit Committee is having the relevant accounting and financial management expertise. During the year 2021-22, the Audit Committee met four times i.e. on 21st May, 2021, 9th August, 2021, 29th October, 2021 and 4th February, 2022. The maximum gap between any two meetings was not more than 120 days.

Name of Member and Chairman	Category	Qualification of the Member	No. of Meetings Attended
Shri Shreekant Somany – Chairman (Appointed as Chairman w.e.f. 4th February, 2022)	Independent & Non-Executive Director	The Chairman is Eminent Industrialist having rich experience of Business. He has good accounting and financial management knowledge.	3
Shri R.L. Gaggar	Independent & Non-Executive Director	Member is a renowned Solicitor and Advocate based at Kolkata. He is practicing at the High Court of Kolkata for over 50 years. He has good accounting and financial management knowledge.	2
Dr. Y.K. Alagh	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge	4
Shri Nitin Dayalji Desai	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge	4
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	Member is a veteran Chartered Accountant and possesses the requisite accounting and financial management expertise.	4
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent & Non-Executive Director	Member was Master of Commerce and Ex-Managing Director of State Bank of India and has held many key positions in its associate banks. He was possessing the requisite accounting and financial management expertise.	3

A.3. Invitees to the Audit Committee

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

B. Nomination cum Remuneration Committee

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

B.1. Terms of Reference

Nomination cum Remuneration Committee is empowered to –

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

B.2. Composition, meetings and attendance

The Nomination cum Remuneration Committee consists of all Independent Directors. During the year 2021-22, the Committee met on 4th February, 2022. The composition of the Committee and particulars of attendance at the Committee Meetings are given below:

Name of the Member and Chairman	Category	No. of Meetings Attended
Shri R.L. Gaggar -Chairman	Independent & Non-Executive Director	NIL
Shri Shreekant Somany	Independent & Non-Executive Director	1
Dr. Y. K. Alagh	Independent & Non-Executive Director	1
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent & Non-Executive Director	-

B.3. Performance evaluation criteria for Independent Directors

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

B.4. Remuneration Policy

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

The Company follows a policy on remuneration applicable for appointment and fixing of remuneration for all the Directors as well as Key Managerial Personnel (KMP) of the Company. It also includes appointment of other senior management personnel viz. Key Functional in-charge i.e. Technical Head, Marketing Head, Power Plant Head, Commercial Head which the Board may decide to appoint and who may report to the top management of the Company. The appointment and remuneration of other employees of the company are also guided by the said policy.

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

B.5. Remuneration of Directors

Executive Directors

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

Non-Executive Directors

The remuneration of the Non-Executive Directors comprises of sitting fees and commission. Non-Executive Directors are paid sitting fees of ₹ 75,000 for each meeting of the Board and its Committees attended by them which is within the limits prescribed under the Companies Act, 2013. Besides the sitting fees, they are also paid commission. Payment of commission to Non-Executive Directors including Independent Directors is made based on their contribution in the Board deliberations and Company' performance. None of the Non-Executive Director has any pecuniary relationship or transaction with the Company apart from receiving the sitting fee and commission as aforesaid. The Commission is paid on uniform basis to reinforce the principle of collective responsibility. Commission for the year 2021-22 has been paid to Non-Executive Directors who were in office for the whole of the financial year and on pro-rata basis to those who were in office for part of the year. No sitting fee and commission is paid to Shri B.G. Bangur, Chairman of the Company who had expressed his willingness to discontinue receiving payment of sitting fee and Commission.

The details of remuneration package, fees paid, etc. to the other Directors for the year ended on 31st March, 2022 are given hereunder: -

A. Working Director - Salary

(₹ in Lac)

Director	Category	Fixed Component		Performance Linked Incentives/ Commission	Total
		Basic Salary	Allowances Perquisites and other Benefits		
Shri H.M. Bangur	Managing Director	1,944.00	1,871.72	1,300.00	**5,115.72**
Shri Prashant Bangur	Jt. Managing Director	542.52	1,056.81	1,200.00	**2,799.33**
Shri P. N. Chhangani	Whole-Time Director	175.02	367.98	-	**543.00**

B. Non-Executive Directors

(₹ in Lac)

Director	Category	Commission	Sitting Fees	Total
Shri B G Bangur	Non-Executive Chairman	-	-	**-**
Shri R L Gaggar	Independent Director	33.00	3.00	**36.00**
Shri Shreekant Somany	Independent Director	33.00	6.00	**39.00**
Shri Y K Alagh	Independent Director	33.00	8.25	**41.25**
Shri Nitin Dayalji Desai	Independent Director	33.00	8.25	**41.25**
Shri Sanjiv Krishnaji Shelgikar	Independent Director	33.00	9.00	**42.00**
Ms. Uma Ghurka	Independent Director	33.00	4.50	**37.50**
Shri O P Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent Director	19.17	6.00	**25.17**
Mr. Zubair Ahmed (Appointed w.e.f. 21st May, 2022)	Independent Director	N.A.	N.A.	**N.A.**

Service Contract, Notice Period, Severance Fees and Stock Options

- The appointment of Shri H. M. Bangur, Managing Director, Shri Prashant Bangur, Jt. Managing Director & Shri P. N. Chhangani, Whole Time Director is for five years from the date of their respective appointment.
- Notice period as per the Rules of the Company.
- Except Gratuity and Earned Leave at the end of the tenure, no other severance fees is payable.
- No Stock Options were granted during the year.

C. Stakeholders' Relationship Committee

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

C.1. Terms of Reference

Stakeholders' Relationship Committee is empowered to –

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

C.2. Composition, meeting and attendance

All the members of the Stakeholders' Relationship Committee are Independent Directors. During the year 2021-22, one meeting of the Committee was held on 4th February, 2022. In the said meeting, the Committee reviewed the status of investors' complaints received and resolved during the calendar year 2021. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Shri R. L. Gaggar – Chairman	Independent & Non-Executive Director	Nil
Dr. Y. K. Alagh	Independent & Non-Executive Director	1
Shri Nitin Dayalji Desai	Independent & Non-Executive Director	1

C.3. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

Link Intime India Private Limited is acting as the Share Transfer Agent of the Company to carry out the share transfer & other related work. Shri S. S. Khandelwal, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent / Company has timely resolved / attended all the complaints and no complaint or grievance remained unattended / unresolved at the end of the year. Details of the complaints received and resolved during, the year ended 31st March, 2022 are as under:-

Sl. No.	Nature of Complaints	No. of Complaints received	No. of Complaints resolved
I	Dividend related issues	2	2
II	Annual Report related issues	1	1
III	Non-receipt of share certificates sent for transfer	2	2
IV	Issuance of Duplicate Share Certificate and IEPF Claim	3	3
V	Non-Demat/Remat	1	1
	Total	**9**	**9**

Any Member/Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary & Compliance Officer with a copy of the earlier correspondence.

D. Corporate Social and Business Responsibility Committee (CSBR Committee)

As required under Section 135 of the Companies Act, 2013, the Board has constituted CSBR Committee of Directors to inter alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows:-

D.1 Terms of Reference:

The Committee is empowered to:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy;
- oversee the Company's activities and contribution with regard to its corporate and societal obligations & its reputation as a responsible corporate citizen;
- review the performance of the Company on environment, governance and sustainability initiatives & matters;
- approve the policies on principles as required in terms of Business Responsibility & sustainability Reporting requirements and changes/modifications required from time to time in such policies; and
- to approve Company's report on Business Responsibility & Sustainability Reporting requirements.

D.2. Composition, meeting and attendance

During the year 2021-22, the CSBR Committee met once on 21st May, 2021. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Shri Nitin Dayalji Desai – Chairman (Appointed as Chairman w.e.f. 4th February, 2022)	Independent & Non-Executive Director	1
Shri Prashant Bangur	Executive Director	1
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	1
Shri P.N. Chhangani	Whole Time Director	1
Ms. Uma Ghurka	Independent & Non-Executive Director	1
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent & Non-Executive Director	1

E. Risk Management Committee

In compliance with the provisions of Listing Regulations and Companies Act, 2013, Board has constituted a Risk Management Committee.

E.1. Terms of Reference

Risk Management Committee is empowered to –

- Formulate a detailed risk management policy which shall include (a) framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, (b) measures for risk mitigation including systems and processes for internal control of identified risks (c) Business continuity plan.
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems.
- Periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexities.
- Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- Coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- Review the appointment, removal and terms of remuneration of Chief Risk Officer.

E.2. Composition, meeting and attendance

During the year 2021-22, the Risk Management Committee met on 9th August, 2021 & 4th February, 2022. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member and Chairman	Category	No. of Meetings Attended
Shri Sanjiv Krishnaji Shelgikar - Chairman	Independent & Non-Executive Director	2
Shri Prashant Bangur	Executive Director – Jt. Managing Director	2
Shri P.N. Chhangani	Executive Director – Whole Time Director	2
Shri O.P. Setia (Ceased w.e.f. close of Business Hours on 29th October, 2021)	Independent & Non-Executive Director	1

SUBSIDIARY COMPANIES

The Audit Committee of the Board of Directors of the Company reviews the financial statements, in particular, the investments, if any, made by its unlisted subsidiary company. Statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, is placed before the Board for its review. Copies of Minutes of the Board Meeting(s) of the Subsidiary Companies are tabled at the Board Meeting of the Company.
The policy for determining material subsidiaries as approved by the Board is posted on the website of the Company and can be accessed at link https://www.shreecement.com/investors/policies.

GENERAL BODY MEETINGS

The required information under Regulation 34(3) read with Schedule V of the Listing Regulations is given under the **"Shareholders' Information"** separately in the annexure to this Corporate Governance Report.

DISCLOSURES

- **Related Party Transactions:** There were no material related party transactions during the year 2021-22 that may have a potential conflict with the interest of the Company as provided under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions have been approved by the Audit Committee.

  The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on the Company's website and can be accessed at link: https://www.shreecement.com/investors/policies.

- **Non-compliance/strictures/ penalties imposed:** No non-compliance/strictures/penalties have been imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.

- **Risk Management:** Risk Evaluation and Management is an on-going process within the organisation. The Company has a well-defined Risk Management Framework in place.
  The Company periodically places before the Risk Management Committee, the key risks and the risk assessment and mitigation procedures followed by the Company.

- **Vigil Mechanism / Whistle Blower Policy:** The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and instances of leakage of unpublished price sensitive information. The policy provides for adequate safeguards against victimisation of employees who utilizes the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

- **Certificate from Practicing Company Secretary:** A certificate from Mr. Akshit Kumar Jangid, Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of company, by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

- **Total fee paid to Statutory Auditors:** Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is ₹ 59.78 Lac (includes Audit fees and certification / other services). No fee was paid by Subsidiary Companies to Statutory Auditor for such services.

- **Confirmation by the Board of Directors' Acceptance of Recommendation of Mandatory Committees:** During the year, there were no such instances of non-acceptance by the Board of Directors of any mandatory recommendations made by the Committees.

- **Details of utilisation of funds raised through preferential allotment or qualified institutions placement:** Your Company in November, 2019 undertook a Qualified Institutions Placement (QIP) and raised ₹ 2,400 Crore by allotting 12,43,523 equity shares of ₹ 10/- each at a price of ₹ 19,300 (which was at 2.56% discount to floor price of ₹ 19,806.46 determined in terms of Regulation 176 of Chapter VI of SEBI ICDR Regulations) on 23rd November, 2019. The details of the Utilizations of the proceeds during the FY 2021-22 is as under:-

(₹ in Crore)

Balance unutilised proceeds from the qualified institutions placement as on 31st March, 2021	1,672.69
Less: Utilised towards funding future growth opportunities and/or strategic acquisitions general corporate requirements, working capital requirement pre-payment and/or repayment of loans and/or any other purposes, as may be permissible under applicable law during the FY 2021-22	1,197.42
Balance amount to be utilised as on 31st March, 2022	475.27

- **Commodity price risk or foreign exchange risk and hedging activities:** Company's foreign exchange risk emanates from forex borrowings and import of fuel and other raw materials. For all forex loans, Company maintains 100% forward cover against foreign exchange risk. As regards import of fuel and other raw materials, the Company decides about the hedging based on prevailing market conditions, period of exposure, amount involved etc. The Company does not have any exposure hedged through Commodity derivatives.

- **Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

Sl. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2021-22	NIL
2	Number of complaints disposed of during the financial year 2021-22	NIL
3	Number of complaints pending as at end of the financial year 2021-22	NIL

- **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:** The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-

a. **Non-Executive Chairman's Office:** The Company maintains a separate office for the Chairman of the Company who is Non-Executive Director with all necessary infrastructure. All assistance is made available to enable him to discharge his responsibilities effectively.

b. **Shareholder's Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

c. **Modified opinion in Auditors' Report:** Company's financial statement for the year 2021-22 does not contain any modified audit opinion.

d. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** The Company is having separate posts of Chairman (Non-Executive) and Managing Director. However, they are relatives.

e. **Reporting of Internal Auditors:** The Internal Auditors of the Company submit reports to the Audit Committee and have direct access to it.

- **Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit & Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	Yes
27	Other Corporate Governance requirements	Yes
46 (2) (b) to (i)	Website (Updation)	Yes

CEO / CFO CERTIFICATION

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2021-22 given by the Managing Director and the Chief Finance Officer is annexed to this Report. The Managing Director and the Chief Finance Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

CODE OF CONDUCT

The Board of Directors has laid down Policy on Ethics, Transparency and Accountability and Code of Conduct for all the Board Members and Employees of the Company. The code covers, amongst other things, Company's commitment to honest and ethical personal conduct, fair competition/Compliance with Anti-trust/ competition laws, sustainable development, health & safety, transparency and compliance of laws & regulations, etc. The code of conduct is posted on the website of the Company. All the Board members and Senior Management personnel have confirmed compliance with the code for the year 2021-22. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

PREVENTION OF INSIDER TRADING

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading by the Designated Persons and their immediate relatives. All the Designated Persons as defined in the Code are governed by this Code. The Company has appointed Shri S.S. Khandelwal, Company Secretary as Compliance Officer who is responsible for setting forth procedures & implementation of the Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations and nominated Company Secretary, Shri S. S. Khandelwal as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information. As required under Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended), Audit and Risk Management Committee of the Board of Directors of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

MEANS OF COMMUNICATIONS

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications. Details of communication mode are as under –

- The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the Listing Regulations.
- Thereafter, these are circulated among media/news agencies/ analyst, etc.
and are displayed on the Company's website www.shreecement.com. These results are also published in leading newspapers normally with Financial Express, Economic Times, Mint, Business Line, Dainik Bhaskar, Dainik Navjoyti, Rajasthan Patrika within forty-eight hours of the Board meeting in which the same are approved.
- The Annual Report, inter-alia, containing Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report including Management Discussion and Analysis, Auditors' Report and other important information is circulated to members and others entitled thereto.
- Presentation made to institutional investors or to the analysts are also submitted with respective stock exchanges where the Company's shares are listed and are also displayed on the Company's website www.shreecement.com.
- **SEBI Complaints Redress System (SCORES):** This is a centralised web-based complaint redressal system designed by SEBI for investors. Companies are required to upload online Action Taken Reports (ATRs) against the complaints filed by investors and simultaneously investors can view the actions taken on the complaint and its current status.
- **Website:** The Company's website www.shreecement.com contains a separate dedicated section 'Investor Centre' wherein all information related to Members/Investors has been made available.

Annexure to Corporate Governance Report

SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING

Day & Date of AGM	Time	Venue
Thursday, 28th July, 2022	12:15 P.M	'Rangmanch Auditorium', Bangur Nagar, Beawar – 305901, Distt.: Ajmer, Rajasthan

Details of the Annual General Meeting held in the last three years are as under:

Year Ended	Day & Date of AGM	Time	Venue
31st March, 2019	Friday, 9th August, 2019	11:30 AM	'Rangmanch Auditorium', Bangur Nagar, Beawar – 305901, Distt.: Ajmer, Rajasthan
31st March, 2020	Monday, 6th July, 2020	2:00 PM	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office: Bangur Nagar, Beawar - 305901, Distt.: Ajmer, Rajasthan]
31st March, 2021	Monday, 9th August, 2021	3:00 PM	

Special Resolution(s) passed in previous three AGMs:

Date of AGM	Special Resolution(s) passed by Members
9th August, 2019	a) Reappointment of Shri Ratanlal Gaggar (DIN: 00066068) as an Independent Director for second term of 5 (five) years w.e.f. 1st September, 2019 b) Reappointment of Shri Om Prakash Setia (DIN: 00244443) as an Independent Director for second term of 5 (five) years w.e.f. 1st September, 2019 c) Reappointment of Dr. Yoginder Kumar Alagh (DIN: 00244686) as an Independent Director for second term of 5 (five) years w.e.f. 1st September, 2019 d) Reappointment of Shri Nitin Dayalji Desai (DIN: 02895410) as an Independent Director for second term of 5 (five) years w.e.f. 1st September, 2019 e) Reappointment of Shri Shreekant Somany (DIN: 00021423) as an Independent Director for second term of 5 (five) years w.e.f. 1st September, 2019
6th July, 2020	Reappointment of Shri Sanjiv Krishnaji Shelgikar (DIN: 00094311) as Independent Director for second term of 5 (five) consecutive years commencing from 5th August, 2020
9th August, 2021	Reappointment of Shri Hari Mohan Bangur (DIN: 00244329), as Managing Director of the Company for a period of five years commencing from 1st April, 2021

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

The Company has carried out postal ballot process in accordance with Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, to obtain consent of members by way of Special Resolution for Reappointment of Shri Prashant Bangur (DIN: 00403621), as Joint Managing Director of the Company for a period of 5 (five) years effective from 1st April, 2022.

Shri Akshit Kumar Jangid (Membership No. F11285), Practicing Company Secretary, acted as the Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner

The details of voting pattern of postal ballot resolution is as under:-

Sl. No.	Description of resolution	Total No. of Valid votes	Votes Assenting the Resolution	% of Votes Cast in favour	Votes Dissenting the resolution	% of Votes Cast against
1	Reappointment of Shri Prashant Bangur (DIN: 00403621), as Joint Managing Director of the Company for a period of 5 (five) years effective from 1st April, 2022.	2,93,54,640	2,67,94,484	91.2785	25,60,156	8.7215

The aforesaid resolution was passed with requisite majority.

PROCEDURE FOR POSTAL BALLOT

Postal Ballot Notice (“Notice”) containing the proposed resolution(s) and explanatory statement pursuant to Section 102 and other applicable provisions, if any, of the Act, are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. The Company also dispatches the Notices and Postal Ballot Form (“Form”) alongwith postage prepaid envelope to its members whose email addresses are not registered, through permitted mode of dispatch. Further, the Company also gives option to the members to cast their vote electronically instead of dispatching the Form. The Forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer. The Scrutinizer submits his report to the Chairman and the results of the voting by Postal Ballot is declared/announced by the Chairman or any other person authorised by him. The results are also displayed on the Company’s website (www.shreecement.com) besides being communicated to the stock exchanges.

None of the businesses is proposed to be transacted through Postal Ballot before the ensuing Annual General Meeting.

FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDAR

The Company follows period of 1st April to 31st March as its Financial Year. Tentative financial calendar for the Financial Year 2022-23 is as under:-

Un-audited Financial Results:	
First Quarter ending on 30th June, 2022	Within 45 days from the end of quarter
Second Quarter/half year ending on 30th September, 2022	Within 45 days from the end of quarter
Third Quarter ending on 31st December, 2022	Within 45 days from the end of quarter
Audited Financial Results:	
Year ending on 31st March, 2023	Within 60 days from the end of the financial year

DIVIDEND PAYMENT DATE

Particular	**Payment Date**
Final Dividend for the year 2021-22	on or after Friday, 29th July, 2022, if declared

CREDIT RATINGS

Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2021-22 are as follows:-

Facilities	**Amount (₹ in crore)**	**Rating**	**Rating Action**
Issuer Rating	-	CARE AAA(Is); Stable [Triple A (Issuer Rating); Outlook: Stable]	Reaffirmed
Long Term Bank Facilities / Fund Based Limit	1,100.00	CARE AAA; Stable (Triple A; Outlook: Stable) / CRISIL AAA/Stable	Reaffirmed
Short Term Bank Facilities / Non-Fund Based Limit	800.00	CARE A1+ (A One Plus) / CRISIL A1+	Reaffirmed
Total Bank Facilities	**1,900.00**		
Commercial Paper (Carved out)	400.00	CARE A1+ (A One Plus)	Reaffirmed
Total Short-term Instruments	**400.00**		

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company is as under:-

Your company has uninterrupted and increasing dividend payout track record since 2000-01. The management is confident of maintaining the same. The yearly outgo of dividend is dependent on the prevalent macroeconomic conditions as well as the industry specific scenario. It also depends on the capital expenditure program under implementation. The retained earnings as in past, shall always be used for the expansion of business.

LISTING ON STOCK EXCHANGE(S)

Name of Stock Exchange	Stock Code
BSE Limited P J Towers, Dalal Street, Fort, Mumbai - 400 001	500387
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	SHREECEM EQ

Name of the Depositories (for Demat only)	ISIN
National Securities Depository Ltd. Trade World, 'A' Wing, 4 & 5 Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	INE070A01015
Central Depository Services (India) Ltd. P J Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400 001	INE070A01015

The Company has paid listing fees to all the Stock Exchanges where its securities are listed for the financial year 2021-22 & 2022-23.

No securities of the Company are suspended from trading.

Corporate Identification Number (CIN): L26943RJ1979PLC001935

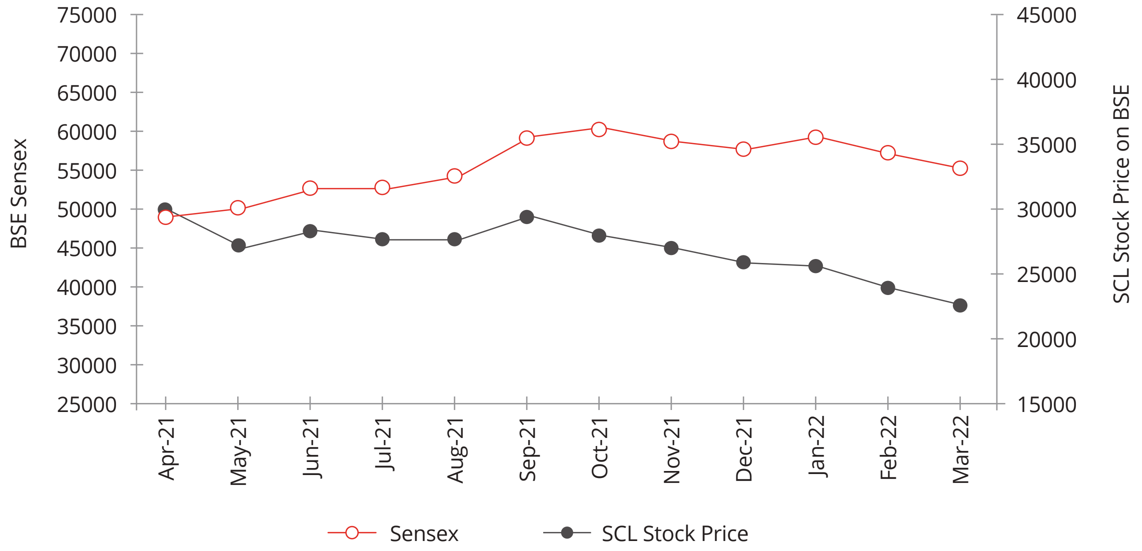
MARKET PRICE DATA

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. Of Shares)
April-21	32,050.00	27,850.00	48,948	32,048.00	27,808.15	13,67,503
May-21	28,504.25	26,520.00	34,790	28,515.00	26,510.00	10,69,721
June-21	29,478.00	27,454.85	34,399	29,506.85	27,414.90	8,71,059
July-21	28,749.00	26,850.00	50,931	28,580.00	26,840.05	9,40,795
August-21	30,095.00	25,750.05	54,753	30,100.00	25,725.05	11,93,449
September-21	31,441.05	27,937.70	40,689	31,469.95	27,948.10	12,25,775
October-21	29,400.00	26,802.45	54,441	29,425.25	26,811.20	6,82,781
November-21	29,825.00	25,200.00	17,617	29,818.90	25,198.25	6,34,587
December-21	27,334.15	25,030.00	18,680	27,323.85	25,000.05	6,08,331
January-22	27,932.60	23,505.70	21,586	27,936.75	23,500.05	7,57,091
February-22	25,858.20	22,849.35	28,540	25,884.60	22,832.00	8,45,674
March-22	24,420.00	21,667.50	29,784	24,385.00	21,650.00	15,06,900
TOTAL			**4,35,158**			**1,17,03,666**

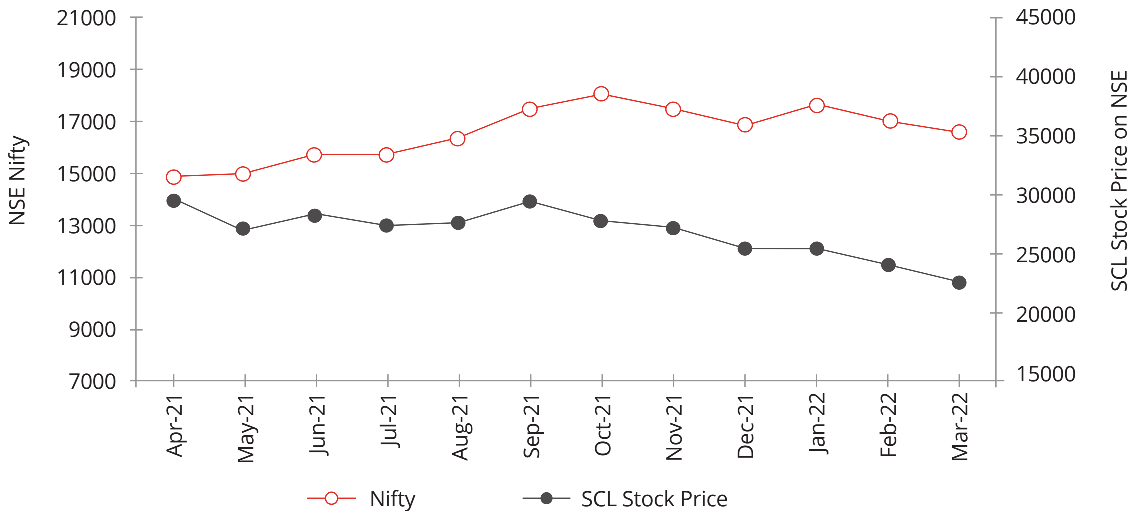
PERFORMANCE OF COMPANY'S SHARE PRICE IN COMPARISON TO BROAD-BASED INDICES

Indices	BSE (Sensex)	SCL Quote at BSE (₹)	NSE (Nifty)	SCL Quote at NSE (₹)
1st April, 2021 (Open)	49,868.53	29,350.00	14,798.40	29,570.00
31st March, 2022 (Close)	58,568.51	23,993.10	17,464.75	24,032.60
Increase/(Decrease)	8,699.98	(5,356.90)	2,666.35	(5,537.40)
% Increase/(Decrease)	17.45%	(18.25)%	18.02%	(18.73)%

Movement of Shree Cement's Share price vis-à-vis Sensex in FY 2021-22 (Average of monthly high-low)



Movement of Shree Cement's Share price vis-à-vis Nifty in FY 2021-22 (Average of monthly high-low)



SHARE TRANSFER SYSTEM

Transfer of shares in dematerialised form is done through the Depository Participant (DP) without any involvement of the Company/Registrar & Share Transfer Agent. As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, Member may please note that as an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed Companies to issue securities in demat form only while processing service requests for issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. In terms of the said circular the necessary forms for processing the above requests are available on the website of the Company i.e. www.shreecement.com. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. Shareholders may communicate with Link Intime India Private Limited, the Company's Registrars & Share Transfer Agent at rnt.helpdesk@linkintime.co.in quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

NOMINATION FACILITY

As per the provisions of Section 72 of the Companies Act 2013, facility for making nominations is available to individuals holding shares of the Company. Members holding shares in physical form, may obtain the Nomination Form (Form SH-13) from the Registered Office of the Company or Registrar & Share Transfer Agent or can be downloaded from the Company's website viz. www.shreecement.com under the section 'Investors>Shareholder Information>Forms'. Investors holding share in electronic form should contact their concerned Depository Participant (DP) directly for nomination.

UNCLAIMED DIVIDENDS AND TRANSFER TO IEPF

In accordance with the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'), dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. As per practice, Company sends reminders to shareholders whose dividend amount is unpaid before transferring the same to IEPF. During the year, the Company has transferred the amount of unclaimed and unpaid Second Interim for year 2013-14 & Interim Dividend for 2014-15 within the prescribed due date.

For the dates of transfer of unpaid dividend amount to IEPF, please refer the relevant section of Notice of the 43rd Annual General Meeting of the Company. Shareholders are requested to approach the Company, if they have not received/encashed their dividend warrants of relevant year. In compliance with the IEPF rules, the Company has uploaded the information in respect of dividend amounts remaining unpaid and unclaimed as on date of 42nd Annual General Meeting of the Company with the Ministry of Corporate Affairs. The same information has been uploaded on Company's website www.shreecement.com as prescribed in the above referred rules. Shareholders can visit website of MCA/ Company for checking the status of dividend amounts remaining unpaid/ unclaimed dividend in respect of their holding in the Company. Members whose unpaid dividends were transferred to IEPF, can claim the amounts by following prescribed procedures/ guidelines which are available at website of the Company at https://www.shreecement.com/investors/shareholder-information and website of the IEPF authority at http://www.iepf.gov.in/IEPF/refund.html.

TRANSFER OF UNDERLYING SHARES INTO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of Section 124(6) of the Companies Act, 2013 read with IEPF rules, the Company is required to transfer shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Details of the said shares are available on the website of the Company and can be accessed through the link: https://www.shreecement.com/investors/shareholder-information. The said details have also been submitted with the Ministry of Corporate Affairs and same can be accessed through the link: https://www.iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor. Such shares can be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner.

USAGE OF ELECTRONIC PAYMENT MODES FOR MAKING DIVIDEND PAYMENTS TO THE INVESTORS

Shareholders can opt for receiving dividend credit directly into their bank account by updating their bank account details with the Depository Participants in case the same are held in dematerialised mode or with the Registrar & Share Transfer Agent of the Company in case the share are held in physical form. The Company, wherever it is possible based on the details submitted by members to Registrar & Share Transfer Agent or Depository Participants, as the case may be, is using electronic modes such as RTGS, NEFT, NECS, Direct Credit for making payment of dividend amounts. In remaining cases, payable at-par demand Drafts / Pay Order are issued in favour of members and dispatched to their registered address.

DISCLOSURE RELATING TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Regulation 39(4) of the Listing Regulations read with Schedule VI provides for the manner of dealing with unclaimed shares. As per the provisions, the Company is required to dematerialise such shares which have been returned as undelivered by postal authorities and hold the same in Unclaimed Suspense Account with a Depository. Disclosure pursuant to the unclaimed shares as on 31st March, 2022 is given below:-

Particulars	Aggregate number of Shareholders	Outstanding shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. 1st April, 2021	NIL	NIL
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	NIL	NIL
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the end of the year i.e. 31st March, 2022	NIL	NIL

The voting rights on the aforesaid shares shall remain frozen till the rightful owner claims the shares.

CORRESPONDENCE REGARDING CHANGE OF ADDRESS, BANK MANDATE, ETC.

Shareholders are requested to ensure that all events of change of address, change in bank particulars, etc., are intimated to Company or Share Transfer Agent promptly. Such requests duly signed by all holders, where there are more than one, along with supporting documents such as proof of residence and proof of identification should be sent for updating Company's records. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account(s).

RECONCILIATION OF SHARE CAPITAL AUDIT

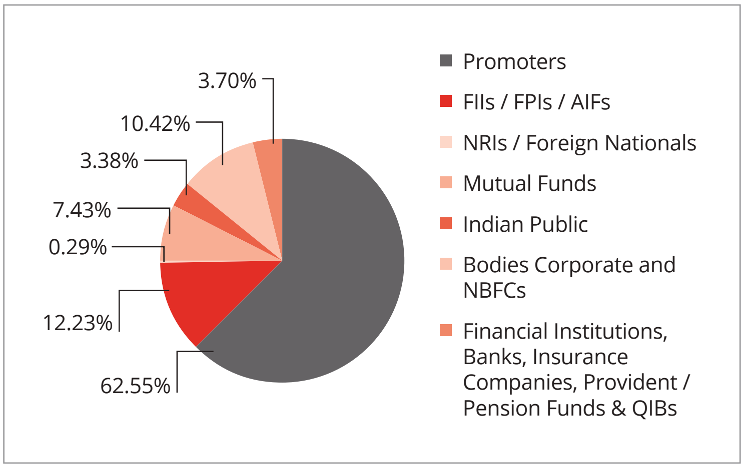
As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, depositories and is also placed before the Board of Directors in their meetings.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022

Sl. No.	Slab of shares	No. of Holders	% to Holders	No. of Shares	% to Total No. of Shares
1.	1 – 50	54,494	92.72	4,09,314	1.13
2.	51 – 100	1,867	3.18	1,54,910	0.43
3.	101 – 200	899	1.53	1,40,249	0.39
4.	201 – 500	690	1.17	2,35,927	0.65
5.	501 – 1,000	308	0.52	2,34,963	0.65
6.	1,001 – 5,000	284	0.48	6,31,750	1.75
7.	5,001 – 10,000	80	0.14	5,53,675	1.53
8.	10,001 and above	150	0.26	3,37,19,960	93.47
	TOTAL	**58,772**	**100.00**	**3,60,80,748**	**100.00**

SHAREHOLDING PATTERN

Description	No. of Shares held	
	31.03.2022	% of holding
Promoters	2,25,69,797	62.55%
FIIs / FPIs / AIFs	44,12,087	12.23%
NRIs	1,03,867	0.29%
Mutual Funds	26,80,329	7.43%
Indian Public	12,21,046	3.38%
Bodies Corporate and NBFCs	37,57,310	10.42%
Financial Institutions, Banks, Insurance Companies, Provident / Pension Funds & QIBs	13,36,312	3.70%
Total	**3,60,80,748**	**100.00%**



DEMATERIALISATION OF SHARES & LIQUIDITY

The trading in the Company's Equity Shares has been permitted in Demat form w.e.f. 29th November, 1999. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. In view of the advantage offered by the Depository System, Members are requested to avail the facility of dematerialisation. 90.01% of total equity share capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2022 (As on 31st March, 2021: 89.96%).

The shares are actively traded at BSE and NSE and have adequate liquidity.

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on 31st March, 2022.

PLANTS LOCATION

RAJASTHAN	
1	**Beawar:** Bangur Nagar, Beawar, Distt.: Ajmer, Rajasthan - 305 901
2	**Ras:** Bangur City, Ras, Tehsil: Jaitaran, Distt.: Pali, Rajasthan - 306 107
3	**Khushkhera:** Plot No. SP3-II / A-1, RIICO Industrial Area, Khushkhera, Tehsil: Bhiwadi, Distt.: Alwar, Rajasthan - 301 707
4	**Suratgarh:** Near N.H.-15, Udaipur - Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan - 335 804
5	**Jobner (Jaipur):** Mahela - Jobner Road, Village: Aslapur, Tehsil: Phulera, Distt.: Jaipur, Rajasthan - 303 331
CHHATTISGARH	
6	**Baloda Bazar:** Village Khapradih, Tehsil- Simga, Distt.: Balodabazar, Chhattisgarh - 493 332
KARNATAKA	
7	**Kodla:** Village Kodla & Benkanhalli, Taluk: Sedam Distt.: Kalaburagi, Karnataka – 585222
UTTARAKHAND	
8	**Laksar (Roorkee):** Akbarpur - Oud, Tehsil: Laksar, Distt.: Haridwar, Uttarakhand - 247 663
HARYANA	
9	**Panipat:** Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt: Panipat (Haryana)
UTTAR PRADESH	
10	**Bulandshahr:** 12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh - 203 205
BIHAR	
11	**Aurangabad:** Industrial Growth Centre Biada, Near Jasoia More, Post: Mojurahi, Distt.: Aurangabad, Bihar - 824 102
JHARKHAND	
12	**Saraikela:** PO-Burudh, Hansda, District : Seraikela - Kharsawan, Jharkhand – 833 210
ODISHA	
13	**Cuttack:** Village - Chandrabalishyampur, Block - Athagarh, District : Cuttack, Odisha – 754 029
MAHARASHTRA	
14	**Patas:** Village Patas, District : Pune, Maharashtra - 412219

REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE:
Shree Cement Limited,
Bangur Nagar, Beawar - 305 901
Distt: Ajmer, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Toll Free No.: 1800 180 6003 / 6004
Email: shreebwr@shreecement.com

CLARIFICATIONS ON FINANCIAL STATEMENTS:
Shri Subhash Jajoo, Chief Finance Officer
Phone: +91-33-22390601-05
Fax: +91-33-22434226
E-mail: jajoos@shreecement.com

SHAREHOLDERS' QUERIES:
Shri S.S. Khandelwal - Company Secretary
Phone: +91-1462-228101 to 06
Fax: +91-1462-228117/19
Toll Free: 1800 180 6003 / 6004
Exclusive e-mail ID for shareholders queries:
investor@shreecement.com
(This email ID would be applicable for shareholder's queries only and Company is not bound to respond on queries or other communication made on this email ID)

REGISTRAR AND SHARE TRANSFER AGENTS:
Link Intime India Private Limited
Unit: SHREE CEMENT LIMITED
C101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083
Tel: 022 – 4918 6270, Fax: 022 – 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Saili Lad, Senior Associate

Declaration on Code of Conduct

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended on 31st March, 2022.

for **SHREE CEMENT LIMITED**

H. M. Bangur
Managing Director
DIN: 00244329

Place: Kolkata
Date: 21st May, 2022

Compliance Certificate

The Board of Directors,
SHREE CEMENT LIMITED

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Certificate Requirements), Regulations, 2015. This is to certify that:-

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Subhash Jajoo)
Chief Finance Officer

(H.M. Bangur)
Managing Director
DIN: 00244329

Date: 21st May, 2022
Place: Kolkata

Certificate of Non-Disqualification of Directors

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

To
The Members,
Shree Cement Limited
Bangur Nagar, Beawar
Rajasthan-305 901

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shree Cement Limited having CIN L26943RJ1979PLC001935 and having registered office at Bangur Nagar, Beawar-305 901, Rajasthan (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of Director	DIN	Date of appointment
1	Benu Gopal Bangur	00244196	25/10/1979
2	Hari Mohan Bangur	00244329	31/07/1992
3	Prashant Bangur	00403621	23/08/2012
4	Shreekant Somany	00021423	20/10/2000
5	Ratanlal Gaggar	00066068	25/01/1995
6	Sanjiv Krishnaji Shelgikar	00094311	05/08/2015
7	Yoginder Kumar Alagh	00244686	29/10/2004
8	Nitin Dayalji Desai	02895410	27/05/2011
9	Prakash Narayan Chhangani	08189579	30/07/2018
10	Uma Ghurka	00351117	11/11/2019

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

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

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

Place: Jaipur
Date: 17th May, 2022
UDIN: F011285D000332531

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its profit, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTERS:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods	
The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included the following: • Considered the appropriateness of Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; • Assessed the relevant disclosures made in the Standalone financial statements.

DESCRIPTION OF KEY AUDIT MATTERS: (CONTD.)

Litigation, Claims and Contingent Liabilities	
The Company is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities; • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable', 'possible' and 'remote'; • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the standalone financial statements; • For those matters where Company concluded that no provision should be recorded, we also considered the adequacy and completeness of the Company's disclosures made in relation to contingent liabilities.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so

would be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;

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

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

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

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

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

v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend;

b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act;

c) As stated in Note No. 51 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No.085323
UDIN: 22085323AJNCGD3623

Place: Kolkata
Date : 21st May, 2022

Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

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

1. a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.

   (B) The Company has maintained proper records showing full particulars of intangible assets.

   b) According to the information and explanations given to us, property, plant and equipment have been physically verified by the management in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

   c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

   d) The Company has not revalued its Property, plant and equipment (including Right of use Assets) and intangible assets during the year.

   e) According to the information and explanations given to us, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. In respect of its inventories:

   a) The management has physically verified the inventories. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.

   b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets during the year. According to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

3. The Company has made investments in and granted unsecured loans to companies during the year, in respect of which;

   a) The aggregate amount granted during the year and balance outstanding at the balance sheet date with respect to loans granted to subsidiaries is ₹ 21.20 crore and ₹ 20.75 crore respectively;

   b) The investment made and terms and conditions of grant of such loans are not prejudicial to the Company's interest;

   c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount and receipt of interest has generally been regular as per the stipulation;

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

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

   f) The Company has granted a loan to a subsidiary which is repayable on demand. The aggregate amount of the loan granted is ₹ 21.20 crore during the year. There are no other loans granted to related parties as defined in sub-section (76) of section 2 of the Act.

4. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made, as applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

6. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under section 148 of the Act, and are of the opinion that the prima facie, the prescribed Cost records have been made and maintained . We have , however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues:

   a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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

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

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(A) Excise and Service Tax				
Central Excise Act, 1944	Cenvat credit of inputs	0.34	2005-06 to 2007-08	Commissioner (Appeals) of Central Excise and Service Tax
	Cenvat credit of input and capital goods	0.23	2013-14	Central Excise & Service Tax Appellate Tribunal (CESTAT)
	Cenvat credit on capital goods	0.03	2009-10	Rajasthan High Court, Jaipur
Finance Act, 1994	Credit of Service Tax on input services	7.19	2011-12 & 2015-16 to 2017-18	Central Excise & Service Tax Appellate Tribunal (CESTAT)
Total (A)		**7.79**		
(B) Customs Duty				
Customs Act, 1962	Custom Duty Valuation	15.75	2008-09 to 2009-10 and 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)
Total (B)		**15.75**		
(C) Sales Tax				
Rajasthan VAT Act, 2003	Input VAT Credit	6.95	2014-15 to 2017-18	Tax Board, Jaipur
Rajasthan VAT Act, 2003	VAT demand on deemed sale	459.06	2014-15 to 2019-20	Tax Board, Jaipur
Bihar VAT Act, 2005	Input VAT Credit	0.12	2016-17	Joint Commissioner of Commercial Taxes (Appeals) Central Division, Patna
Uttrakhand VAT Act, 2005	Concessional tax diesel used for raw material transportation	0.44	2017-18 to 2018-19	Joint Commissioner of Commercial Taxes (Appeals), Haridwar
Total (C)		**466.57**		

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(D) Entry tax				
UP Tax on Entry of Goods Act, 2000	Interest on Entry tax	2.78	2009-10	Joint Commissioner, Ghaziabad
Chhattisgarh Tax on Entry of Goods Act, 1976	Entry Tax	13.49	2014-15 to 2016-17	Chhattisgarh High Court, Bilaspur
Punjab Tax on Entry of Goods into Local Area Act, 2000	Input Tax credit	0.57	2010-11 to 2013-14	Tribunal, Chandigarh
Total (D)		**16.84**		
(E) Competition Act				
Competition Act, 2002	Penalty for alleged violation of Competition Act	357.76	2009-10 to 2010-11	National Company Law Appellate Tribunal (NCLAT)
		18.44	2012-13	
Total (E)		**376.20**		
(F) Others				
Rajasthan Finance Act, 2008	Environment & Health Cess on Minerals	91.77	2007-08 to 2016-17	The Supreme Court
Rajasthan Land Tax Act, 2006	Land Tax, Rajasthan	0.80	2006-07 to 2009-10	DIG, Stamps & Registration, Pali
Rajasthan Land Tax Act, 2020	Land Tax, Rajasthan	4.03	2020-21	Rajasthan High Court
Employee State Insurance Act, 1948	Employee State Insurance	1.04	2013-14 to 2017-18	ESI Court, Jaipur
Mines and Minerals (Development & Regulation) Act, 1957	Differential Royalty on Limestone	3.10	1989-90, 1992-93, 1993-94 and 2001-02	Rajasthan High Court
MMDR act read with Rajasthan Mineral Concession Rules read with RM (PIMTS) Rules 2007	Storage of Mineral awaiting registration	0.30	2009-10 to 2010-11	Rajasthan Tax Board
Rajasthan Stamps Act, 1998	Stamp Duty	0.57	2003-04 to 2004-05	Rajasthan High Court
Total (F)		**101.61**		
Grand Total (A+B+C+D+E+F)		**984.76**		

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

9. a) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

   b) The Company is not declared a willful defaulter by any bank or financial institution or other lender.

   c) The term loan has been applied for the purpose for which they were obtained.

   d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries. The Company does not have associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have associates or joint ventures.

10. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.

b) The company has not made any preferential allotment of shares or fully or partially convertible debentures during the year. Hence, reporting under clause 3 (x) (b) of the Order is not applicable.

11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non- cash transaction with directors or persons connected with him, therefore, reporting under clause 3(xv) of the Order is not applicable.

16. a) The Company is not engaged in business of Non-Banking Financial Company or Housing Finance Company or Core Investment Company requiring registration under the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The Company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable

of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) There are no unspent amounts towards CSR on ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No.085323
UDIN: 22085323AJNCGD3623

Place: Kolkata
Date : 21st May, 2022

Annexure 'B' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shree Cement Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 **Gupta & Dua**
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
UDIN: 22085323AJNCGD3623

Place: Kolkata
Date : 21st May, 2022

Shree Cement

Standalone Balance Sheet

as at 31st March, 2022

(₹ in Crore)

	Notes	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	6	4,711.82	3,790.74
Capital Work-in-Progress	36	972.91	970.96
Intangible Assets	7	26.66	26.97
Right of Use Assets	8	583.01	373.84
Financial Assets			
Investments	9	8,060.96	7,271.28
Loans	10	4.35	4.46
Other Financial Assets	11	133.62	125.47
Deferred Tax Assets (Net)	12	669.51	785.50
Non-Current Tax Assets (Net)		27.11	102.00
Other Non-Current Assets	13	534.29	388.09
		15,724.24	**13,839.31**
Current Assets			
Inventories	14	2,161.40	1,477.17
Financial Assets			
Investments	15	3,484.99	3,779.33
Trade Receivables	16	595.65	479.42
Cash and Cash Equivalents	17	15.38	14.97
Bank Balances other than Cash and Cash Equivalents	18	102.88	194.79
Loans	10	25.34	21.23
Other Financial Assets	11	219.88	181.36
Other Current Assets	13	1,085.67	1,051.19
		7,691.19	**7,199.46**
Total Assets		**23,415.43**	**21,038.77**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	36.08	36.08
Other Equity	20	17,234.79	15,213.99
Total Equity		**17,270.87**	**15,250.07**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	1,298.34	1,331.55
Lease Liabilities		140.04	14.68
Other Financial Liabilities	22	135.67	174.28
Provisions	23	11.78	10.55
		1,585.83	**1,531.06**
Current Liabilities			
Financial Liabilities			
Borrowings	24	715.84	801.68
Lease Liabilities		54.85	8.07
Trade Payables	52		
Total Outstanding Dues of Micro and Small Enterprises		6.50	4.06
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		797.39	781.73
Other Financial Liabilities	22	1,334.88	1,193.58
Other Current Liabilities	25	1,332.49	1,398.52
Provisions	23	2.60	1.91
Current Tax Liabilities (Net)		314.18	68.09
		4,558.73	**4,257.64**
Total Equity and Liabilities		**23,415.43**	**21,038.77**
Significant Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place: Kolkata

P.N. Chhangani
Whole Time Director
DIN: 08189579
Place: Kolkata

Dr. Y.K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

R.L. Gaggar
Independent Director
DIN: 00066068
Place: Kolkata

Shreekant Somany
Independent Director
DIN: 00021423
Place: Kolkata

Uma Ghurka
Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Standalone Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ in Crore)

	Notes	For the year ended 31.03.2022	For the year ended 31.03.2021
INCOME			
Revenue from Operations			
Gross Revenue from Operations		18,049.22	16,128.37
Less: GST recovered		3,743.34	3,459.50
Revenue from Operations	26	14,305.88	12,668.87
Other Income	27	537.34	432.89
Total Income		**14,843.22**	**13,101.76**
EXPENSES			
Cost of Materials Consumed	28	1,002.46	833.59
Purchases of Stock-in-Trade		282.58	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(146.48)	42.05
Employee Benefits Expenses	30	807.23	759.72
Power and Fuel		3,161.38	2,082.42
Freight and Forwarding Expenses	31	3,241.46	3,037.24
Finance Costs	32	217.78	247.10
Depreciation and Amortisation Expenses	6,7 & 8	1,036.48	1,139.90
Other Expenses	33	2,333.26	1,949.29
		11,936.15	10,091.31
Captive Consumption of Cement		(23.85)	(15.27)
Total Expenses		**11,912.30**	**10,076.04**
PROFIT BEFORE TAX		**2,930.92**	**3,025.72**
Tax Expense	42		
Current Tax		542.71	763.82
Tax Expense Relating to Earlier Years (Net)		(104.53)	(10.27)
Deferred Tax (Credit) / Charge		116.12	(39.76)
		554.30	713.79
PROFIT FOR THE YEAR		**2,376.62**	**2,311.93**
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss - Re-measurements of Defined Benefit Plans	38(b)	3.99	11.14
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.39)	(3.74)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedges	47	22.57	(19.64)
Income Tax relating to Items that will be Reclassified to Profit or Loss		(7.05)	6.03
		18.12	(6.21)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the Year)		**2,394.74**	**2,305.72**
Earnings per Equity Share of ₹ 10 each (In ₹)	49		
Cash		978.14	945.68
Basic and Diluted		658.69	640.77
Significant Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For and on behalf of the Board

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place: Kolkata

P.N. Chhangani
Whole Time Director
DIN: 08189579
Place: Kolkata

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Dr. Y.K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

R.L. Gaggar
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Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Date : 21st May, 2022

Standalone Cash Flow Statement

for the year ended 31st March, 2022

(₹ in Crore)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
A Cash Flow From Operating Activities				
Profit Before Tax		**2,930.92**		**3,025.72**
Adjustments For :				
Depreciation and Amortisation Expenses	1,036.48		1,139.90	
Foreign Exchange Rate Differences (Net)	1.41		2.33	
Bad Debts Written Off	0.05		-	
Allowance for Doubtful Trade Receivables (Net)	(0.07)		0.48	
Net (Gain)/ Loss on Sale of Investments	(103.24)		(35.13)	
(Gain)/ Loss on Fair Value of Investments through Profit or Loss	(118.49)		(156.59)	
Interest Income	(302.67)		(225.07)	
Dividend Income on Investments Classified at Fair Value through Profit or Loss	(6.32)		(9.16)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(5.05)		(3.22)	
Finance Costs	217.78	719.88	247.10	960.64
Operating Profit Before Working Capital Changes		**3,650.80**		**3,986.36**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	(101.13)		393.50	
(Increase) / Decrease in Inventories	(684.23)		(49.32)	
Increase / (Decrease) in Trade & Other Payables and Provisions	53.31	(732.05)	506.92	851.10
Cash Generated From Operations		**2,918.75**		**4,837.46**
Direct Taxes Paid (Net of Refunds)		(195.90)		(743.85)
Net Cash Flow From Operating Activities		**2,722.85**		**4,093.61**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipment (Including Capital Work-in-Progress and Capital Advances)	(1,969.41)		(992.37)	
Proceeds from Sale of Property, Plant and Equipment	23.45		4.96	
Payments for Intangible Assets	(2.30)		(10.95)	
(Purchases) / Proceeds of Investments in Mutual Funds/ Exchange Traded Funds (Net)	381.85		(753.88)	
Investment made in Subsidiary Companies	(265.17)		(121.51)	
Purchases of Other Investments	(841.13)		(1,979.69)	
Proceeds from Sale/ Redemption of Other Investments	428.38		890.40	
Loan Given to Subsidiary Company	(21.20)		(16.75)	
Repayment Received for Loan Given to Subsidiary Company	17.20		-	
Investments in Bank Deposits	(37.28)		(228.64)	
Maturity of Bank Deposits	129.21		123.82	
Change in Earmarked Balances with Banks (Unpaid Dividend)	0.05		2.19	
Dividend Received	6.32		9.16	
Interest Received	284.69		205.38	
Net Cash Used in Investing Activities		**(1,865.34)**		**(2,867.88)**

Standalone Cash Flow Statement

for the year ended 31st March, 2022

(₹ in Crore)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
C Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	322.28		-	
Repayment of Long Term Borrowings	(290.17)		(710.30)	
Repayment of Lease Liabilities	(113.93)		(61.51)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(188.91)		(189.15)	
Interest and Financial Charges Paid	(208.80)		(251.43)	
Dividend Paid	(378.89)		(2.19)	
Net Cash Used in Financing Activities		**(858.42)**		**(1,214.58)**
Net (Decrease)/ Increase in Cash and Cash Equivalents		**(0.91)**		**11.15**
Cash and Cash Equivalents as at the beginning of the Year		**(4.56)**		**(15.71)**
Cash and Cash Equivalents as at the end of the Year		**(5.47)**		**(4.56)**

Notes :

1. Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
2. The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.
3. For the purpose of Standalone Cash Flow Statement, Cash and Cash Equivalents comprises the following:

(₹ in Crore)

	As at 31.03.2022	As at 31.03.2021
Balances with Banks	14.24	14.07
Cash on Hand	1.14	0.90
	15.38	14.97
Less: Bank Overdraft	20.85	19.53
	(5.47)	**(4.56)**

4. Refer Note 43 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place: Kolkata

P.N. Chhangani
Whole Time Director
DIN: 08189579
Place: Kolkata

Dr. Y.K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

R.L. Gaggar
Independent Director
DIN: 00066068
Place: Kolkata

Shreekant Somany
Independent Director
DIN: 00021423
Place: Kolkata

Uma Ghurka
Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Standalone Statement of Changes in Equity

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL (Refer Note 19)

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 01st April, 2020	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31st March, 2021	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31st March, 2022	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 20)

For the year ended 31st March, 2022

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01st April, 2021	**15.00**	**2,408.63**	**6,500.00**	**6,325.69**	**(35.33)**	**15,213.99**
Profit for the year				2,376.62		2,376.62
Other Comprehensive Income for the year						
Re-measurements of Defined Benefit Plans (Net of Tax)				2.60		2.60
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					15.52	15.52
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 47)					4.90	4.90
Transfer to /(from) Retained Earnings			500.00	(500.00)		-
Final Dividend on Equity Shares (Note 1 below)				(216.48)		(216.48)
Interim Dividend on Equity Shares (Note 2 below)				(162.36)		(162.36)
Closing Balance as at 31st March, 2022	**15.00**	**2,408.63**	**7,000.00**	**7,826.07**	**(14.91)**	**17,234.79**

For the year ended 31st March, 2021

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01st April, 2020	**15.00**	**2,408.63**	**6,000.00**	**4,506.36**	**(29.65)**	**12,900.34**
Profit for the year				2,311.93		2,311.93
Other Comprehensive Income for the year						
Re-measurements of the Defined Benefit Plans (Net of Tax)				7.40		7.40
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					(13.61)	(13.61)
Transfer to Initial Carrying Amount of Hedged Items (Net of tax) (Refer Note 47)					7.93	7.93
Transfer to /(from) Retained Earnings			500.00	(500.00)		-
Closing Balance as at 31st March, 2021	**15.00**	**2,408.63**	**6,500.00**	**6,325.69**	**(35.33)**	**15,213.99**

Note 1: Final Dividend declared at the rate of ₹ 60 per share of ₹ 10 each for FY 2020-21.

Note 2: Interim Dividend declared at the rate of ₹ 45 per share of ₹ 10 each for FY 2021-22.

Standalone Statement of Changes in Equity
for the year ended 31st March, 2022

Nature of Reserves

Capital Redemption Reserve
Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Securities Premium
Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

General Reserve
General Reserve represents the reserve created by apportionment of profits generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings
Retained Earnings represents the undistributed profits of the Company.

Effective Portion of Cash Flow Hedges
The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

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Managing Director
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Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Notes Forming Part of Standalone Financial Statements

1. CORPORATE INFORMATION

Shree Cement Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District - Ajmer-305901 (Rajasthan), India.

The Company is engaged in the manufacturing and selling of cement and cement related products. It is regarded as one of the most efficient and environment friendly company in the global cement industry.

For Company's principal shareholders, Refer Note No. 19.

2. STATEMENT OF COMPLIANCE

The standalone financial statements (hereinafter referred to as "financial statements") of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

These financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on 21st May, 2022.

3. NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

a) Amendment in Schedule III of the Companies Act, 2013

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013 which is applicable from 01st April, 2021. The effect of said amendment has been incorporated in these financial statements to the extent applicable to the Company.

b) Ind AS Amendments

The MCA issued certain amendments to Ind AS dated 18th June, 2021 amending various standards. These amendments are related to following areas:

- Interest rate benchmark related reforms (phase 2);
- Extension of practical expedient for rent concession for rent payments upto 30th June, 2022;
- Amendments consequent to issue of Conceptual Framework for financial reporting under Ind AS, issued by the Institute of Chartered Accountants of India.

These amendments are effective from 01st April, 2021 and the effect of these amendments has been incorporated in these financial statements to the extent applicable to the Company. There is no material effect of these amendments on the financial statements of the Company.

(ii) Application of New Amendments Issued But Not Yet Effective

MCA notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify 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.

Ind AS 16 – Proceeds before Intended Use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Notes Forming Part of Standalone Financial Statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments to have any significant impact in its financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

The Financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 4 (s))
- Employee's defined benefit plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("₹") and all values are rounded to the nearest crore, except otherwise indicated.

b) Classification of Assets and Liabilities into Current/ Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realize the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or
4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/ amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use, including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to statement of profit and loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under “other non-current assets”.

Depreciation is provided on written down value method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant and Equipment	3-20 Years
Buildings	20 Years
Roads	10 Years
Railway Siding	20 Years
Vehicles	5-6 Years
Office Equipment	3-5 Years
Furniture and Fixtures	5 Years

Assets individually costing less than or equal to ₹ 25,000 are fully depreciated in the year of purchase. Freehold land containing mineral reserve is amortized over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects, from the date when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis up to the date of deduction / disposal.

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

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use.

Amortization is provided on a written down value method over estimated useful lives, but not exceeding three years except mining rights which is amortized based on units-of-production method.

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs

Notes Forming Part of Standalone Financial Statements

are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) **Impairment of Non-Financial Assets**
The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of Cash Generating Unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

g) **Revenue Recognition**
Revenue is recognized to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Services Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognized when the right to receive the payment is established. Interest is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/ redemption of investment on the date of transaction.

i) Railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognized only when collection is virtually certain which generally coincides with receipt.

j) **Government Grants**
Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in statement of profit and loss on a systematic basis over the period to match them with the related costs.

Grants related to assets are included in liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

Notes Forming Part of Standalone Financial Statements

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognized in the statement of profit and loss.

k) Employee Benefits

1) **Defined Contribution Plan**

Superannuation, Provident Fund, National Pension Scheme and Employees State Insurance Corporation ("ESIC") are considered as defined contribution plan and the contributions are charged to the statement of profit and loss for the year in which employees have rendered related services.

2) **Defined Benefit Plan**

Gratuity is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurements

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee Benefits Expenses'.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognizes such contribution and shortfall, if any, as an expense in the year incurred.

3) **Other Long Term Benefits**

En-cashable leave in case of employees covered by Cement Wage Board and non en-cashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/ losses, if any, are recognized in statement of profit and loss in the year in which they arise.

4) **Other Short Term Benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

l) Foreign Currency Transaction

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also the Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated

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in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise except the amount of such exchange differences capitalized in accordance with policy on 'Borrowing Costs'.

m) Taxation

Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

2) Work-in-progress, Finished Goods and Stock-in-trade

These are valued at lower of cost and net realizable value. Cost of work-in-progress and

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finished goods include direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

o) Provisions and Contingencies

1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Mines Reclamation Expenditure

The Company provides for the expenditure to reclaim the quarries used for mining, in statement of profit and loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in statement of profit and loss.

2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognized.

p) Leases

At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to lease agreements in which it is the lessee.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right of use asset is measured at inception at the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated amortization, accumulated impairment losses, if any. Right of use assets are amortized on straight line basis over the shorter period of lease term and useful life of the underlying asset.

The right of use assets and lease liability is presented separately on the face of the Balance sheet as ‘Right of Use Assets’ and ‘Lease Liability’ respectively.

q) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the

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acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition related costs are recognized in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a business combination and recognised separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized in Other Comprehensive Income ("OCI") and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

r) Investment in Subsidiaries

The Company's investments in its subsidiaries are carried at cost less impairment, if any.

s) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement

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

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, investments, loans and other financial assets.

Classification and Subsequent Measurement

Financial assets are subsequently measured at amortized cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal

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and interest on the principal amount outstanding.

b) *Financial Assets at Fair Value Through Other Comprehensive Income*
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) *Financial Assets at Fair Value Through Profit or Loss*
A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and interest income on financial assets at fair value through profit or loss is recognized as dividend and interest income respectively and included in 'Other Income'.

Derecognition
The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities
Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivative designated as hedging instruments in an effective hedge, as appropriate.

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

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Classification and Subsequent Measurement
The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

a) *Financial Liabilities at Fair Value Through Profit or Loss*
Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

b) *Other Financial Liabilities*
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using effective interest rate method.

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Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

3) **Derivative Financial Instruments and Hedge Accounting**
The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivative is carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and some foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in statement of profit and loss. Amounts accumulated in equity are reclassified to profit or loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) **Financial Liabilities and Equity Instruments:**
Classification as Debt or Equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments
An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

t) Cash and Cash Equivalents
Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

u) Earnings Per Share
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates is adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) Mines Reclamation Obligation

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government securities of similar tenure.

f) Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Refer Note 38 for sensitivity analysis.

g) Fair Value Measurement of Financial Instruments

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

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6. PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK
	Opening as at 01.04.2021	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2022	Opening as at 01.04.2021	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2022	As at 31.03.2022
Tangible Assets :									
Free Hold Land	1,450.03	287.00	17.40	1,719.63	11.53	3.51	-	15.04	1,704.59
Buildings	1,164.26	143.13	0.41	1,306.98	660.24	134.17	0.01	794.40	512.58
Plant and Equipment	8,074.66	1,473.04 **(a)**	10.17	9,537.53	6,255.41	838.31	9.83	7,083.89	2,453.64
Railway Sidings	37.92	-	-	37.92	24.60	3.08	-	27.68	10.24
Furniture and Fixtures	45.15	9.19	1.24	53.10	42.85	4.78	1.18	46.45	6.65
Office Equipment	70.82	12.43	3.41	79.84	65.08	9.85	3.36	71.57	8.27
Vehicles	42.86	16.01	6.03	52.84	35.25	7.54	5.80	36.99	15.85
Total	**10,885.70**	**1,940.80**	**38.66**	**12,787.84**	**7,094.96**	**1,001.24 (b)**	**20.18**	**8,076.02**	**4,711.82**

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK
	Opening as at 01.04.2020	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2021	Opening as at 01.04.2020	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2021	As at 31.03.2021
Tangible Assets :									
Free Hold Land	1,225.08	224.97	0.02	1,450.03	8.72	2.81	-	11.53	1,438.50
Buildings	1,059.79	105.17	0.70	1,164.26	516.31	143.96	0.03	660.24	504.02
Plant and Equipment	7,474.42	616.09 **(a)**	15.85	8,074.66	5,314.31	956.10	15.00	6,255.41	1,819.25
Railway Sidings	37.65	0.27	-	37.92	20.61	3.99	-	24.60	13.32
Furniture and Fixtures	43.16	2.17	0.18	45.15	39.77	3.25	0.17	42.85	2.30
Office Equipment	64.52	7.70	1.40	70.82	57.39	9.07	1.38	65.08	5.74
Vehicles	41.62	4.51	3.27	42.86	29.83	8.49	3.07	35.25	7.61
Total	**9,946.24**	**960.88**	**21.42**	**10,885.70**	**5,986.94**	**1,127.67 (b)**	**19.65**	**7,094.96**	**3,790.74**

(a) Includes ₹ 2.56 crore (for the year ended 31st March, 2021 ₹ 6.32 crore) for capital expenditure on research and development.

(b) Depreciation for the year includes ₹ 27.84 crore (for the year ended 31st March, 2021 ₹ 8.25 crore) on assets during construction period.

(c) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP carrying value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹ 8,508.98 crore and ₹ 5,587.79 crore, respectively.

Notes Forming Part of Standalone Financial Statements

7. INTANGIBLE ASSETS

₹ in Crore

Particulars	COST				AMORTIZATION				Net Carrying Amount as at 31.03.2022
	Opening as at 01.04.2021	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2022	Opening as at 01.04.2021	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2022	
Intangible Assets :									
Computer Software	20.28	2.30	0.01	22.57	19.29	2.35	-	21.64	0.93
Mining Rights	27.20	-	-	27.20	1.22	0.25	-	1.47	25.73
Total	**47.48**	**2.30**	**0.01**	**49.77**	**20.51**	**2.60**	**-**	**23.11**	**26.66**

₹ in Crore

Particulars	COST				AMORTIZATION				Net Carrying Amount as at 31.03.2021
	Opening as at 01.04.2020	Additions During the Year	Deductions/ Adjustments During the Year	As at 31.03.2021	Opening as at 01.04.2020	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2021	
Intangible Assets :									
Computer Software	17.47	2.91	0.10	20.28	16.31	3.08	0.10	19.29	0.99
Mining Rights	19.16	8.04	-	27.20	0.95	0.27	-	1.22	25.98
Total	**36.63**	**10.95**	**0.10**	**47.48**	**17.26**	**3.35**	**0.10**	**20.51**	**26.97**

(a) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

8. RIGHT OF USE ASSETS

₹ in Crore

Particulars	GROSS CARRYING AMOUNT				AMORTIZATION				Net Carrying Amount as at 31.03.2022
	Opening as at 01.04.2021	Addition during the Year	Deductions/ Adjustments During the Year	As at 31.03.2022	Opening as at 01.04.2021	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2022	
Land	396.16	49.90	0.01	446.05	37.74	9.64	0.01	47.37	398.68
Buildings	24.24	25.74	12.27	37.71	12.78	19.75	12.27	20.26	17.45
Plant and Equipment	3.02	15.57	6.49	12.10	2.67	10.91	6.49	7.09	5.01
Railway Sidings	-	164.83	-	164.83	-	19.14	-	19.14	145.69
Vehicles	7.84	20.40	3.64	24.60	4.23	7.77	3.58	8.42	16.18
Total	**431.26**	**276.44**	**22.41**	**685.29**	**57.42**	**67.21 (a)**	**22.35**	**102.28**	**583.01**

₹ in Crore

Particulars	GROSS CARRYING AMOUNT				AMORTIZATION				Net Carrying Amount as at 31.03.2021
	Opening as at 01.04.2020	Addition During the Year	Deductions/ Adjustments During the Year	As at 31.03.2021	Opening as at 01.04.2020	For the Year	Deductions/ Adjustments During the Year	Up to 31.03.2021	
Land	346.41	49.75	-	396.16	29.68	8.06	-	37.74	358.42
Buildings	22.64	1.73	0.13	24.24	6.52	6.26	-	12.78	11.46
Plant and Equipment	3.03	0.63	0.64	3.02	1.68	0.99	-	2.67	0.35
Vehicles	8.46	0.60	1.22	7.84	2.41	1.82	-	4.23	3.61
Total	**380.54**	**52.71**	**1.99**	**431.26**	**40.29**	**17.13 (a)**	**-**	**57.42**	**373.84**

(a) Amortisation for the year includes ₹ 6.73 crore (for the year ended 31st March, 2021 - ₹ nil) on assets during construction period.

(b) The Company has taken several assets including land, godowns, office premises, railway sidings, vehicles and heavy earth moving machineries on lease.

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022 No.	As at 31.03.2022 Amount	As at 31.03.2021 No.	As at 31.03.2021 Amount
Investments at Cost (A)					
UNQUOTED					
Subsidiary Companies					
Fully Paid Equity Shares					
Shree Global FZE	1 AED	137,21,26,000	2,617.51	135,37,63,500	2,579.89
Raipur Handling and Infrastructure Private Limited	10	34,47,225	101.98	25,53,500	88.40
Shree Cement East Bengal Foundation (Refer Note 9.3)	10	26,000	-	26,000	-
Shree Cement North Private Limited	10	11,00,00,000	110.00	-	-
Shree Cement East Private Limited	10	10,50,00,000	105.00	-	-
Shree Cement South Private Limited	10	50,000	0.05	-	-
Partly Paid Equity Shares					
Raipur Handling and Infrastructure Private Limited (Paid up of ₹ 8 per share as at 31st March, 2021)	10	-	-	8,93,725	11.08
Shree Cement North Private Limited (Paid up of ₹ 1 per share as at 31st March, 2022)	10	10,00,00,000	10.00	-	-
Total (A)			**2,944.54**		**2,679.37**
Investments at Amortised Cost (B)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
7.21% IRFC Tax Free Bonds - 26NV22	10,00,000	-	-	150	15.02
7.22% IRFC Tax Free Bonds - 30NV22	10,00,000	-	-	100	10.02
7.18% IRFC Tax Free Bonds - 19FB23	1,000	-	-	4,00,000	40.47
7.19% IRFC Tax Free Bonds - 31JL25	10,00,000	250	25.09	250	25.11
7.15% IRFC Tax Free Bonds - 21AG25	10,00,000	259	26.21	259	26.29
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	305	31.59	305	31.83
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	158.49	14,02,310	161.72
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	300	32.19	300	32.51
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	250	26.68	250	26.92
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	22.36	2,10,000	22.55
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	59.45	5,32,500	60.33
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.44	66	7.53
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.68	5,50,000	55.76
7.28% IRFC Tax Free Bonds - 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	52.12	5,11,350	52.20
Power Finance Corporation					
7.21% PFC Tax Free Bonds - 22NV22	10,00,000	-	-	150	15.05
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	250	25.70	250	25.89
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.78	1,000	10.92
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.64	24,000	2.68
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	32.99	300	33.35
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	102.14	8,39,928	104.45

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹**)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
7.05% PFC Bonds - 09AG30	10,00,000	600	59.99	600	59.99
7.04% PFC Bonds - 16DC30	10,00,000	1,500	151.08	1,500	151.16
6.88% PFC Bonds - 11AP31	10,00,000	150	14.90	150	14.89
National Highways Authority of India					
8.27% NHAI Tax Free Bonds - 05FB24	1,000	-	-	1,00,000	10.54
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	250	25.04	250	25.05
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	330	33.38	330	33.46
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	52.45	4,56,388	53.69
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	25.99	228	26.38
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	17.07	158	17.19
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	175.15	15,23,022	177.19
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	104.96	950	105.80
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	157.82	13,75,838	159.62
Housing and Urban Development Corporation Limited					
7.34% HUDCO Tax Free Bonds - 16FB23	1,000	-	-	1,50,000	15.06
7.19% HUDCO Tax Free NCD - 31JL25	10,00,000	68	6.93	68	6.96
7.07% HUDCO Tax Free NCD - 01OT25	10,00,000	250	25.11	250	25.14
7.00% HUDCO Tax Free NCD - 09OT25	10,00,000	120	12.12	120	12.15
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.20	2,80,066	28.24
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.88	37,645	3.90
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	103.70	9,70,000	104.85
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.67	1,19,000	12.77
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	4.99	44	5.06
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.31	20,000	2.34
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.36	3,00,439	31.46
India Infrastructure Finance Company Limited					
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	-	-	8,50,000	85.52
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	-	-	50,000	5.06
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	-	-	50	5.12
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	-	-	50,000	5.21
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	-	-	1,53,000	16.05
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.40	250	26.60
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.31	150	15.36
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	46.53	4,46,000	46.80
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.54	1,50,000	15.61
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	11.07	100	11.20
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.53	130	14.72
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	7.16	64	7.25
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.32	11,680	1.34
Rural Electrification Corporation					
7.22% REC Tax Free Bonds - 19DC22	1,000	-	-	50,000	5.08
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.93	45,564	4.99

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.57	1,00,000	10.65
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.17	181	20.43
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	36.20	3,22,500	36.69
7.50% REC Bonds - 28FB30	10,00,000	1,000	101.18	1,000	101.29
7.55% REC Bonds - 11MY30	10,00,000	738	74.98	738	75.08
6.80% REC NCD - 20DC30	10,00,000	250	24.92	250	24.91
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.36	150	15.45
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.82	8,68,838	87.90
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	100	10.44	100	10.54
6.39% NABARD Bonds - 19NV30	10,00,000	750	72.08	750	71.74
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	51.01	4,55,065	51.48
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	450	46.86	450	47.35
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	45.64	400	46.35
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	18.27	30,000	18.66
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	41.14	67,000	42.05
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	10,00,000	400	41.06	400	41.35
Housing Development Finance Corporation Limited					
7.40% HDFC NCD - 28FB30	10,00,000	350	35.44	350	35.48
7.25% HDFC NCD - 17JUN30	10,00,000	1,800	180.92	1,800	181.00
6.83% HDFC NCD - 08JN31	10,00,000	1,610	157.47	1,610	157.20
7.10% HDFC NCD - 12NV31	10,00,000	1,500	150.36	-	-
7.05% HDFC NCD - 01DC31	10,00,000	300	29.33	-	-
LIC Housing Finance Limited					
7.95% LICHF NCD - 29JN28	10,00,000	200	20.97	200	21.10
7.99% LICHF NCD - 12JL29	10,00,000	335	35.47	335	35.68
Hero FinCorp Limited					
6.95% HERO FIN CORP Bonds - 03NV25	10,00,000	500	49.81	500	49.76
Mahindra Rural Housing Finance LImited					
7.75% MRHFL NCD - 15JL25	10,00,000	500	50.91	500	51.15
Food Corporation of India					
6.65% FCI Bonds - 23OT30	10,00,000	450	43.37	450	43.24
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds - 11OT30	10,00,000	1,000	100.00	1,000	100.00
6.85% MTNL Bonds - 20DC30	10,00,000	750	73.18	750	73.01

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022 No.	As at 31.03.2022 Amount	As at 31.03.2021 No.	As at 31.03.2021 Amount
Total (B)			**3,521.50**		**3,592.07**
Investments at Fair Value through Profit or Loss (C)					
QUOTED					
Perpetual Bonds					
Bank of Baroda					
7.95% Bank of Baroda, Non Convertible Perpetual Bond	1,00,00,000	200	200.96	-	-
State Bank of India					
7.72% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	311	311.00	-	-
7.55% State Bank of India, Non Convertible Perpetual Bond	1,00,00,000	150	148.69	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 9.4)					
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 5th October, 2022	7,500	-	-	13,500	-
L&T Finance Holdings Limited					
7.50% Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par as at 22nd December, 2023	100	-	-	20,00,000	19.23
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	1,00,00,000	11.64	1,00,00,000	11.08
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	158.89	14,99,92,500	149.99
SBI FMP- Series 44 (1855 Days) Direct Growth	10	5,99,97,000	62.76	-	-
SBI FMP- Series 51 (1846 Days) Direct Growth	10	5,99,97,000	61.19	-	-
SBI FMP- Series 53 (1839 Days) Direct Growth	10	5,99,97,000	61.00	-	-
SBI FMP- Series 60 (1878 Days) Direct Growth	10	4,99,97,500	50.32	-	-
SBI FMP- Series 58 (1842 Days) Direct Growth	10	3,99,98,000	40.60	-	-
SBI FMP- Series 57 (1835 Days) Direct Growth	10	3,99,98,000	40.30	-	-
SBI FMP- Series 55 (1849 Days) Direct Growth	10	2,99,98,500	30.40	-	-
SBI FMP- Series 61 (1927 Days) Direct Growth	10	2,99,98,500	30.27	-	-
ABSL FTP Series TI (1837 Days) - Direct Growth	10	3,99,98,000	41.69	-	-
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	1,99,99,000	20.07	-	-
Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth	10	4,49,97,750	46.32	-	-
Kotak FMP Series 292 Direct Growth	10	6,99,96,500	72.26	-	-
HDFC FMP 1861D March 2022 - Series 46- Direct - Growth	10	2,99,98,500	30.30	-	-
Exchange Traded Funds					
Bharat Bond ETF - April 2023 - Growth	1,000	-	-	12,50,000	139.63
Bharat Bond ETF - April 2031 - Growth	1,000	-	-	39,99,800	407.30
Nippon India ETF Nifty CPSE Bond Plus SDL 2024 Maturity	100	-	-	97,82,600	100.78

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022 No.	As at 31.03.2022 Amount	As at 31.03.2021 No.	As at 31.03.2021 Amount
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	7.61	10,59,600	7.20
CSTRIP GS 12-DEC-2027C	100	10,59,600	7.30	10,59,600	6.91
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	67.48	1,00,00,000	63.87
CSTRIP GS 12-JUN-2028C	100	10,59,600	7.01	10,59,600	6.64
CSTRIP GS 12-DEC-2028C	100	10,59,600	6.75	10,59,600	6.40
CSTRIP GS 12-JUN-2029C	100	10,59,600	6.50	10,59,600	6.21
UNQUOTED					
Preference Shares					
Tata Capital Limited					
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	7,50,000	73.61	7,50,000	74.60
Total (C)			**1,594.92**		**999.84**
TOTAL (A+B+C)			**8,060.96**		**7,271.28**

*Except otherwise stated.

9.1 Aggregate Carrying Amount and Market Value of Quoted Investments :

₹ in Crore

	As at 31.03.2022 Aggregate Carrying Amount	As at 31.03.2022 Market Value	As at 31.03.2021 Aggregate Carrying Amount	As at 31.03.2021 Market Value
Quoted Investments	5,042.81	5,184.55	4,517.31	4,704.50
Total	**5,042.81**	**5,184.55**	**4,517.31**	**4,704.50**

	As at 31.03.2022	As at 31.03.2021
9.2 Aggregate Carrying Amount of Unquoted Investments	3,018.15	2,753.97

9.3 The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Accordingly, the aforesaid investment value of ₹ 0.03 crore has been charged off to the statement of profit and loss during the year ended 31st March, 2021.

9.4 In August, 2018 credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as "IL&FS Group") credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

Notes Forming Part of Standalone Financial Statements

10. FINANCIAL ASSETS - LOANS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Loans to Staff and Workers	4.35	4.46	4.59	4.48
Loan to Subsidiary Company (Refer Note 41 and Note 50)	-	-	20.75	16.75
	4.35	**4.46**	**25.34**	**21.23**

11. FINANCIAL ASSETS - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Derivative Financial Instruments	47.53	50.59	18.55	10.44
Security Deposits (Refer Note 41)	67.49	56.21	9.76	3.78
Fixed Deposits with Banks (maturity more than 12 months)	18.60	18.67	-	-
Interest Accrued on Bonds, Debentures, Deposits and Loans (Refer Note 41)	-	-	151.45	136.79
Others	-	-	40.12	30.35
	133.62	**125.47**	**219.88**	**181.36**

12. DEFERRED TAX ASSETS (NET)

₹ in Crore

	As at 31.03.2021	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2022
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	25.17	(14.93)	-	-	-	10.24
Expenses allowed for tax purpose when paid	206.15	(14.00)	-	-	-	192.15
Depreciation and Amortization	526.78	(33.12)	-	-	-	493.66
Cash Flow Hedges	17.89	-	-	(7.05)	(2.82)	8.02
Fair Value of Investments	36.11	(19.63)	-	-	-	16.48
MAT Credt Entitlement	-	(10.00)	10.00	-	-	-
Others	0.79	1.17	-	-	-	1.96
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	23.37	25.35	-	-	-	48.72
Others	4.02	0.26	-	-	-	4.28
Net Deferred Tax Assets/ (Liabilities)	**785.50**	**(116.12)**	**10.00**	**(7.05)**	**(2.82)**	**669.51**

Notes Forming Part of Standalone Financial Statements

12. DEFERRED TAX ASSETS (NET) (CONTD.)

₹ in Crore

	As at 31.03.2020	Recognised in Profit or Loss	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2021
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	4.09	21.08	-	-	25.17
Expenses allowed for tax purpose when paid	204.15	2.00	-	-	206.15
Depreciation and Amortization	487.46	39.32	-	-	526.78
Cash Flow Hedges	15.93	-	6.03	(4.07)	17.89
Fair Value of Investments	58.91	(22.80)	-	-	36.11
Others	0.65	0.14	-	-	0.79
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	23.27	0.10	-	-	23.37
Others	4.14	(0.12)	-	-	4.02
Net Deferred Tax Assets/ (Liabilities)	**743.78**	**39.76**	**6.03**	**(4.07)**	**785.50**

13. OTHER ASSETS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	1.08	2.21
Advances to Suppliers and Contractors	-	-	111.95	85.90
Capital Advances	442.31	312.61	-	-
Assets Held for Disposal	-	-	0.08	0.08
Prepaid Expenses	2.98	3.97	6.87	7.97
Other Receivables	89.00	71.51	965.69	955.03
	534.29	**388.09**	**1,085.67**	**1,051.19**

13.1 Other receivables includes GST, Government grants and other dues from Government etc.

14. INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Raw Materials [Includes in transit ₹ 3.09 crore (As at 31st March, 2021: ₹ 14.41 crore)]	57.23	68.79
Fuel [Includes in transit ₹ 570.49 crore (As at 31st March, 2021: ₹ 414.02 crore)]	1,029.66	578.75
Stores and Spares	639.45	563.63
Packing Materials	69.15	46.57
Stock-in-Trade	0.01	-
Work-in-Progress [Includes in transit ₹ 24.45 crore (As at 31st March, 2021: ₹ 22.91 crore)]	277.67	145.83
Finished Goods [Includes in transit ₹ 20.72 crore (As at 31st March, 2021: ₹ 17.37 crore)]	88.23	73.60
	2,161.40	**1,477.17**

Notes Forming Part of Standalone Financial Statements

15. CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹)	As at 31.03.2022 No.	As at 31.03.2022 Amount	As at 31.03.2021 No.	As at 31.03.2021 Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	-	-	200	20.07
Housing and Urban Development Corporation Limited					
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	-	-	10,08,424	102.09
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	-	-	4,38,951	44.05
Total (A)			**-**		**166.21**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	-	-	3,50,00,000	44.25
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	-	-	7,50,00,000	95.10
ABSL Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	-	-	10,00,00,000	126.50
Kotak FMP Series 216 Direct - Growth	10	-	-	3,00,00,000	38.28
SBI Arbitrage Opportunities Fund - Direct Plan-Growth	10	-	-	3,59,47,544	98.05
ABSL Arbitrage Fund - Growth Direct Plan	10	-	-	11,30,09,186	246.15
HDFC Arbitrage Fund - WP-DP-Growth	10	-	-	11,23,81,015	173.42
UTI Arbitrage Fund - Direct Growth Plan	10	-	-	3,49,16,053	99.35
IDFC Arbitrage Fund - Growth (Direct Plan)	10	-	-	15,12,00,057	404.61
Axis Arbitrage Fund - Direct Growth (EA-DG)	10	-	-	10,96,05,472	169.26
Kotak Overnight Fund Direct - Growth	1,000	-	-	4,09,883	45.00
ABSL Overnight Fund Direct - Growth	1,000	-	-	2,69,688	30.01
ICICI Prudential Overnight Fund DP Growth	100	-	-	45,05,485	50.00
Axis Overnight Fund DP Growth	1,000	-	-	3,67,852	40.02
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	2,72,73,781	86.37	20,77,11,465	628.97
ICICI Prudential Equity Arbitrage Fund - Direct Growth	10	3,26,55,614	95.65	20,99,60,326	588.98
Nippon India Arbitrage Fund - Direct Growth Plan	10	3,39,99,442	77.61	22,16,66,710	483.83
Nippon India Dynamic Bond Fund - Direct Growth Plan	10	8,28,06,868	262.81	8,28,06,868	251.34
ABSL Nifty SDL Apr 2027 Index Fund Direct Growth	10	11,93,21,791	120.79	-	-
ABSL CRISIL SDL Plus AAA PSU Apr 2027 60:40 Index Fund Direct Growth	10	5,99,97,000	60.04	-	-
ABSL Nifty SDL Plus PSU Bond - Sep 2026 60:40 Index Fund Direct Growth	10	27,13,03,485	276.09	-	-

Notes Forming Part of Standalone Financial Statements

15. CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Dir-Growth	10	1,99,76,826	20.03	-	-
ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10	4,98,46,266	50.05	-	-
ICICI Prudential PSU Bond plus SDL 40:60 Index Fund Sep 2027 Direct Plan Growth	10	19,70,92,310	200.53	-	-
Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	4,99,97,500	50.21	-	-
Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	1,99,99,000	20.06	-	-
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	10	2,99,98,500	30.11	-	-
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Direct Growth	10	14,99,92,500	151.87	-	-
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2027 - Direct Plan Growth	10	4,94,41,775	50.46	-	-
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	19,24,13,366	206.66	-	-
Axis Crisil SDL 2027 Debt Index Fund Direct Growth (CRDGG)	10	3,00,33,339	30.06	-	-
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund Direct Plan Growth	10	14,99,92,500	149.99	-	-
Exchange Traded Funds					
Bharat Bond ETF- April 2023 - Growth	1,000	12,50,000	146.30	-	-
Bharat Bond ETF- April 2031 - Growth	1,000	39,99,800	430.63	-	-
Bharat Bond ETF- April 2030 - Growth	1,000	34,70,114	417.48	-	-
Bharat Bond ETF- April 2032 - Growth	1,000	19,99,900	202.02	-	-
Nippon India ETF Nifty CPSE Bond Plus SDL - 2024	100	97,82,600	106.01	-	-
Nippon India ETF Nifty SDL - 2026	100	2,25,00,000	243.16	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 9.4)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 25th March, 2021	7,500	28,000	-	28,000	-
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16th May, 2021	7,500	52,000	-	52,000	-
IL&FS Financial Services Ltd. (Refer Note 9.4)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. 30th March, 2021	7,500	33,400	-	33,400	-
Total (B)			**3,484.99**		**3,613.12**
TOTAL (A+B)			**3,484.99**		**3,779.33**

Notes Forming Part of Standalone Financial Statements

15. CURRENT INVESTMENTS (CONTD.)

15.1 Aggregate Carrying Amount and Market Value of Quoted Investments:

₹ in Crore

	As at 31.03.2022		As at 31.03.2021	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments	3,484.99	3,484.99	3,779.33	3,782.96
Total	**3,484.99**	**3,484.99**	**3,779.33**	**3,782.96**

	As at 31.03.2022	As at 31.03.2021
15.2 Aggregate Carrying Amount of Unquoted Investments	-	-

16. TRADE RECEIVABLES

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Secured, Considered Good	416.69	370.39
Unsecured		
Considered Good	178.96	109.03
Which have Significant Increase in Credit Risk	2.28	2.35
	597.93	**481.77**
Less: Allowance for Trade Receivables Which have Significant Increase in Credit Risk	2.28	2.35
	595.65	**479.42**

16.1 Refer Note 46 for information about credit risk and market risk of trade receivables.
16.2 The average payment terms with customers is generally below 45 days.

17. CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Balances with Banks	14.24	14.07
Cash on Hand	1.14	0.90
	15.38	**14.97**

18. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Earmarked Balance with Banks for Unpaid Dividend (Refer note 22.1)	4.04	4.09
Margin Money (Pledged with Banks) (Refer note 18.1)	47.23	40.71
Fixed Deposits With Banks (Refer note 18.2)	70.21	168.66
Less: Fixed Deposits Maturity More Than 12 Months Disclosed Under Other Non-Current Financial Assets (Refer note 11)	(18.60)	(18.67)
	102.88	**194.79**

18.1 Includes deposits of ₹ 33.00 crore (As at 31st March, 2021: ₹ 27.00 crore) are pledged with banks against overdraft facilities. (Refer Note 24.2)

18.2 Includes ₹ 69.18 crore (As at 31st March, 2021: ₹ 67.53 crore) given as security to Government department and others.

Notes Forming Part of Standalone Financial Statements

19. SHARE CAPITAL

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Authorised		
6,00,00,000 (As at 31st March, 2021: 6,00,00,000) Equity Shares of ₹10/- each	60.00	60.00
15,00,000 (As at 31st March, 2021: 15,00,000) Cumulative Preference Shares of ₹100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at 31st March, 2021: 3,60,80,748) Equity Shares of ₹10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

19.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31.03.2022		As at 31.03.2021	
	Number of Shares held	% of Total Paid-up Equity Share Capital	Number of Shares held	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

19.2 Shares held by promoters as at 31.03.2022 are as follows:

Promoters Name	No. of shares	% of total shares	% Change during the year
Promoters			
Harimohan Bangur	4,88,284	1.353%	0.028%
Prashant Bangur	3,89,750	1.080%	-
Benu Gopal Bangur	-	-	-0.028%
Promoters Group			
Rajkamal Devi Bangur	1,26,100	0.349%	-
Ranu Bangur	67,700	0.188%	-
Riya Puja Jain	2,050	0.006%	-
Padma Devi Maheshwari	600	0.002%	-
Shree Capital Services Ltd.	89,84,155	24.900%	-
Digvijay Finlease Ltd.	42,34,780	11.737%	-
Mannakrishna Investments Pvt. Ltd.	20,42,824	5.662%	-
Newa Investments Pvt. Ltd.	13,76,270	3.814%	-
Ragini Finance Ltd.	12,68,882	3.517%	-
Didu Investments Pvt. Ltd.	11,70,909	3.245%	-
N.B.I. Industrial Finance Company Ltd.	8,49,450	2.354%	-
The Venktesh Co. Ltd.	4,60,030	1.275%	-
Rajesh Vanijya Pvt. Ltd.	3,69,226	1.023%	-
The Didwana Investment Company Ltd.	3,27,400	0.907%	-
Asish Creations Private Ltd.	2,10,737	0.584%	-
Western India Commercial Co. Ltd.	2,00,650	0.556%	-
Total	**2,25,69,797**	**62.55%**	**-**

Notes Forming Part of Standalone Financial Statements

19. SHARE CAPITAL (CONTD.)

19.3 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

19.4 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.5 Reconciliation of the shares outstanding at the beginning and at the end of the year

₹ in Crore

Particulars	Numbers	Amount
Equity shares outstanding as at 01st April, 2020	3,60,80,748	36.08
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2021	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2022	**3,60,80,748**	**36.08**

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
19.6 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date.	Nil	Nil

19.7 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

20. OTHER EQUITY

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Capital Redemption Reserve	15.00	15.00
Securities Premium	2,408.63	2,408.63
General Reserve	7,000.00	6,500.00
Retained Earnings	7,826.07	6,325.69
Effective Portion of Cash Flow Hedges	(14.91)	(35.33)
	17,234.79	**15,213.99**

20.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

Notes Forming Part of Standalone Financial Statements

21. BORROWINGS

₹ in Crore

	Non-Current Portion		Current Maturities	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Secured				
External Commercial Borrowings	976.06	1,331.55	395.35	293.60
Indian Rupee Term Loans from Banks	322.28	-	-	-
	1,298.34	**1,331.55**	**395.35**	**293.60**
Amount disclosed under the head Current Borrowings (Refer Note 24)	-	-	(395.35)	(293.60)
	1,298.34	**1,331.55**	**-**	**-**

21.1 Nature of securities and terms of repayment of each loan:

₹ in Crore

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2022	Loan Amount as at 31.03.2021	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on INR including the effect of related cross currency and interest rate swaps)	630.00	813.79	Repayable in 6 half yearly equal instalments of USD 1.389 crore w.e.f. 28.09.2022
		3 Months USD LIBOR+0.71% (Fixed rate of 7.82% on INR including the effect of related cross currency and interest rate swaps)	302.18	328.98	Repayable in 4 half yearly instalments w.e.f. 27.09.2022 (First two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)
		2.72% on SGD (Fixed rate of 7.96% on INR including the effect of related cross currency and interest rate swaps [USD to INR])	439.23	482.38	Repayable in 4 half yearly instalments w.e.f. 27.09.2022. First two instalments of SGD 0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each)
	Indian Rupee Term Loans from Banks				
2	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months T-Bill rate +1.20%	322.28	-	Repayable in 4 equal annual installments w.e.f. 11.12.2023
	TOTAL		**1,693.69**	**1,625.15**	
	Less: Current Maturities of Long Term Debt		395.35	293.60	
	Total Non-Current Portion		**1,298.34**	**1,331.55**	

There is no default in repayment of principal and interest thereon.

Notes Forming Part of Standalone Financial Statements

22. FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not Due on Borrowings	-	-	0.34	0.24
Derivative Financial Instruments	20.28	71.97	15.16	18.68
Unpaid Dividends (Refer Note 22.1)	-	-	4.04	4.09
Security Deposits from Customers, Vendors & Others	115.39	102.31	804.90	748.58
Payable for Capital Goods	-	-	127.76	63.05
Others (Refer Note 22.2)	-	-	382.68	358.94
	135.67	**174.28**	**1,334.88**	**1,193.58**

22.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at 31st March, 2022 and 31st March, 2021 (Refer note 18).

22.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

23. PROVISIONS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits				
Gratuity [Refer note 38(b)]	-	-	0.74	0.56
Other Staff Benefit Schemes	3.65	2.88	1.33	0.83
Other Provisions				
Mines Reclamation Expenses (Refer Note 39)	8.13	7.67	0.53	0.52
	11.78	**10.55**	**2.60**	**1.91**

24. CURRENT BORROWINGS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Secured		
Loans Repayable on Demand from Banks (Refer Note 24.1)	299.64	289.61
Bank Overdraft (Refer Note 24.2)	20.85	19.53
Current Maturities of Long-Term Debt	395.35	293.60
Unsecured		
Commercial Papers	-	198.94
	715.84	**801.68**

24.1 Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

24.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 18.1)

24.3 There is no default in repayment of principal and interest thereon.

24.4 Quarterly returns/ statements of current assets filed by the Company with banks/ financial institutions are in agreement with the books of accounts.

Notes Forming Part of Standalone Financial Statements

25. OTHER CURRENT LIABILITIES

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Customers Advances (Refer Note 25.1)	232.29	193.87
Withholding and Other Taxes Payable	246.57	286.26
Provident Fund and Superannuation Payable	16.01	16.71
Other Statutory Liabilities	837.62	901.68
	1,332.49	**1,398.52**

25.1 Revenue of ₹ 183.34 crores (for the year ended 31st March, 2021: ₹ 196.00 crores) is recognised during current year that was included in customer advances outstanding at the beginning of the year.

26. REVENUE FROM OPERATIONS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Sale of Products		
Cement	13,129.49	12,037.38
Clinker	62.15	157.37
Power Sales	399.82	105.98
Traded Goods and Others	296.48	-
	13,887.94	**12,300.73**
Other Operating Revenue		
Incentives and Subsidies (Under Various Incentive Schemes of State and Central Government)	173.05	255.91
Scrap Sales	39.79	27.24
Insurance Claims	10.75	6.27
Provision No Longer Required	88.24	19.44
Balances Written Back	11.80	5.67
Others	94.31	53.61
	417.94	**368.14**
	14,305.88	**12,668.87**

26.1 Sale of products is net of ₹ 966.44 crore (for the year ended 31st March, 2021: ₹ 812.08 crore) on account of cash discount, rebates and incentives given to customers.

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Notes Forming Part of Standalone Financial Statements

27. OTHER INCOME

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest Income		
On Deposits Classified at Amortised cost	8.73	12.80
On Bonds and Debentures Classified at Amortised cost	223.20	205.47
On Bonds and Debentures Classified at Fair Value Through Profit or Loss	16.04	-
On Tax Refund	53.57	6.02
Others	1.13	0.78
Dividend Income on Investments Classified at Fair Value through Profit or Loss	6.32	9.16
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	14.15	23.70
Classified at Fair Value through Profit or Loss	89.09	11.43
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	118.49	156.59
Profit on Sale of Property, Plant and Equipment (Net)	5.45	3.87
Other Miscellaneous Income	1.17	3.07
	537.34	**432.89**

28. COST OF MATERIALS CONSUMED

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Raw Materials Consumed		
Gypsum	194.17	210.26
Fly Ash	349.32	297.07
Red Ochre and Slag	78.94	94.92
Sulphuric Acid	79.37	46.37
Others	300.66	184.97
	1,002.46	**833.59**

29. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN- TRADE AND WORK-IN-PROGRESS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Closing Stock		
Work-in-Progress	277.67	145.83
Finished Goods	88.23	73.60
Stock-in-Trade	0.01	-
	365.91	**219.43**
Opening Stock		
Work-in-Progress	145.83	169.63
Finished Goods	73.60	91.85
Stock-in-Trade	-	-
	219.43	**261.48**
(Increase) / Decrease	**(146.48)**	**42.05**

Notes Forming Part of Standalone Financial Statements

30. EMPLOYEE BENEFITS EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Salaries, Wages and Bonus (Refer note 38)	697.72	658.66
Contribution to Provident and other Funds (Refer note 38)	91.39	86.83
Staff Welfare Expenses	18.12	14.23
	807.23	**759.72**

31. FREIGHT AND FORWARDING EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
On Finished Products	2,401.60	2,214.56
On Inter Unit Clinker Transfer	839.86	822.68
	3,241.46	**3,037.24**

32. FINANCE COSTS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest Expenses at Amortised Cost	207.93	242.49
Bank and Other Finance Charges	3.26	1.82
Interest Expenses on Lease Liabilities	9.69	2.21
Unwinding of Discount on Provision	0.57	0.58
	221.45	**247.10**
Less: Interest Capitalised (Refer Note 32.1)	3.67	-
	217.78	**247.10**

32.1 During the year ended 31st March, 2022, borrowing costs are capitalised using interest rates ranging between 4.70% to 6.00% per annum.

33. OTHER EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Stores and Spares Consumed	399.12	295.28
Packing Materials Consumed	557.24	417.31
Royalty and Cess	295.00	287.47
Mines Reclamation Expenses	0.79	0.61
Repairs to Plant and Machinery	327.79	250.00
Repairs to Buildings	35.17	29.39
Insurance	12.30	10.44
Rates and Taxes	26.77	57.58
Travelling	34.26	30.80
Commission to Non-executive Directors	2.17	2.31
Directors' Sitting Fees and Expenses	0.52	0.59
Advertisement and Publicity	142.83	133.31
Sales Promotion and Other Selling Expenses	252.80	182.10

Notes Forming Part of Standalone Financial Statements

33. OTHER EXPENSES (CONTD.)

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Foreign Exchange Rate Differences (Net)	(2.63)	0.26
Corporate Social Responsibility Expenses (Refer Note 33.1)	57.54	45.73
Assets Written Off	0.40	0.65
Bad Debts Written Off	0.05	-
Allowance for Doubtful Trade Receivables (Net)	(0.07)	0.48
Contribution to Electoral Bonds/ Political Parties	2.00	12.00
Miscellaneous (Refer Note 33.2)	189.21	192.98
	2,333.26	**1,949.29**

33.1 Details of Corporate Social Responsibility ("CSR") Expenses

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended 31st March, 2022 is ₹ 53.01 crore (for the year ended 31st March, 2021: ₹ 44.84 crore).

(b) The Company has spent ₹ 57.54 crore (for the year ended 31st March, 2021 : ₹ 45.73 crore) on the various Corporate Social Responsibility Activities. There is excess CSR expenses of ₹ 5.42 crore as on 31st March, 2022.

(c) The projects/activities undertaken by the Company in the field of Corporate Social Responsibility fall within the broad framework of schedule VII to the Companies Act, 2013 which interalia include education, healthcare, sustainable livlihood, woman empowerment, rural and infrastructure development, environment protection, support widows/dependents of martyrs of arm forces and promotion of art & culture, epitomising a holistic approach to inclusive growth.

(d) Refer Note 41 for related party transactions in relation to Corporate Social Responsibility Expenses.

33.2 Miscellaneous Expenses include the payments made to Auditors:

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Statutory Auditors		
Audit Fees	0.48	0.45
Certification / Other Services	0.12	0.12
Reimbursement of Expenses (For the year ended 31st March, 2021 - ₹ 41,250)	0.05	0.00
Cost Auditors		
Audit Fees	0.06	0.05
Certification / Other Services	-	-
Reimbursement of Expenses (For the year ended 31st March, 2022 - ₹ 12,717)	-	-

34. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹ 71.78 crore (As at 31st March, 2021: ₹ 69.35 crore).

b. (i) Competition Commission of India (CCI), vide its order dated 31st August, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of provisions of the Competition Act, 2002. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7th November, 2016, granted stay on CCI's order subject to deposition of 10% of penalty amount and payment of balance amount of penalty with interest @ 12% per annum from the date of

Notes Forming Part of Standalone Financial Statements

34. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT) (CONTD.)

CCI's order if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

(ii) In another matter, CCI vide its order dated 19th January, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

c. The Divisional Bench of the Hon'ble Rajasthan High Court vide Judgement dated 6th December, 2016 has allowed the appeal filed by Commercial Taxes Department/ Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of the Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before the Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹ 37.84 crore received and ₹ 317.54 crore not received though accounted for.

35. COMMITMENTS

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 1,436.44 crore (As at 31st March, 2021: ₹ 785.29 crore).

b. Uncalled liability on partly paid up equity shares of ₹ 90.00 Crore (As at 31st March, 2021: ₹ 2.50 Crore).

36. CAPITAL WORK-IN-PROGRESS ("CWIP")

a. Capital work-in-progress includes directly attributable expenses of ₹ 82.65 crore (As at 31st March, 2021: ₹ 73.42 crore) which includes depreciation of ₹ 24.65 crore (for year ended 31st March, 2021: ₹ 8.10 crore) on assets during construction period.

b. Movement in CWIP Balances is as follows:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	970.96	962.11
Add: Additions in CWIP during the year	1,655.75	744.76
Less: Capitalised to Property, plant and equipment during the year	1,653.80	735.91
Closing Balance	**972.91**	**970.96**

Notes Forming Part of Standalone Financial Statements

36. CAPITAL WORK-IN-PROGRESS ("CWIP") (CONTD.)

c. Ageing of CWIP is as follows:

₹ in Crore

As at 31st March, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	767.33	135.05	64.20	6.33	972.91
Projects temporarily suspended	-	-	-	-	-

₹ in Crore

As at 31st March, 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	544.01	408.34	17.77	0.84	970.96
Projects temporarily suspended	-	-	-	-	-

d. There is no project in capital work-in-progress as on 31st March, 2022 which has been delayed from original plan, however there was one project amounting to ₹ 443.39 crores which was delayed due to COVID-19 pandemic and right of way issues as on 31st March, 2021 from original plan and has been capitalized during current financial year.

37. EXPENDITURE ON RESEARCH AND DEVELOPMENT:

₹ in Crore

Particulars	2021-22						2020-21
	Beawar	Ras	Kodla	Raipur	Others	Total	
Capital	0.14	1.68	-	-	0.74	2.56	6.32
Revenue	4.48	7.58	2.50	3.35	4.38	22.29	21.54
Total	**4.62**	**9.26**	**2.50**	**3.35**	**5.12**	**24.85**	**27.86**

38. EMPLOYEE BENEFITS: (Refer Note 30)

(a) Contribution to defined contribution plans recognized as expenses are as under:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Superannuation Fund	9.57	8.68
Provident Fund [Includes contribution to PF trust of ₹ 6.15 crore (₹ 5.61 crore for the year ended 31st March, 2021)]	57.63	55.12
National Pension Scheme	4.68	3.48
ESIC	0.28	0.26
Total	**72.16**	**67.54**

(b) Defined Benefit Plan

Gratuity - The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

Disclosure for defined benefit plans based on actuarial reports:

Notes Forming Part of Standalone Financial Statements

38. EMPLOYEE BENEFITS: (Refer Note 30) (CONTD.)

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	286.19	264.63
Current service cost	26.16	24.29
Interest cost	18.29	18.10
Re-measurements (gains)/losses	0.81	(12.33)
Benefits paid	(9.67)	(8.50)
Present Value of Defined Benefit Obligation at the end of the year	**321.78**	**286.19**
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	285.63	264.36
Expected return on plan assets	18.95	18.51
Re-measurements gains/(losses)	4.80	(1.19)
Contribution by employer	21.33	12.45
Benefits paid	(9.67)	(8.50)
Fair Value of Plan Assets at the end of the year	**321.04**	**285.63**
Expenses Recognized in the Statement of Profit and Loss		
Current service cost	26.16	24.29
Interest cost	18.29	18.10
Expected return on plan assets	(18.95)	(18.51)
Expenses Recognized in the Statement of Profit and Loss	**25.50**	**23.88**
Expenses recognized in Other Comprehensive Income (OCI)		
Return on plan assets (excluding amount included in net Interest expense)	(4.80)	1.19
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	1.22	4.90
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(0.41)	(17.23)
Total recognized in Other Comprehensive Income	**(3.99)**	**(11.14)**
Total recognized in Total Comprehensive Income	**21.51**	**12.74**
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligations	321.78	286.19
Fair Value of Plan Assets	321.04	285.63
Net Liability	0.74	0.56
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate	6.80 % per annum	6.50 % per annum
Salary Escalation Rate	12.50 % per annum	12.15 % per annum
Mortality Rate	IALM 2006-08 Ult.	IALM 2006-08 Ult.
Expected Rate of Return	6.80 % per annum	6.50 % per annum
Withdrawal Rate (Per Annum)	3.00% p.a.(18 to 30 Years)	3.00% p.a.(18 to 30 Years)
Withdrawal Rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)
Withdrawal Rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)

Notes Forming Part of Standalone Financial Statements

38. EMPLOYEE BENEFITS: (Refer Note 30) (CONTD.)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as: interest rate risk, longevity risk and salary risk.

The Gratuity Scheme is invested in group gratuity-cum-life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31st March, 2022 are as follows:

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations	(34.36)	41.36	38.71	(33.04)	(13.14)	15.30

Sensitivity Analysis for significant assumptions as on 31st March, 2021 are as follows:

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations	(29.41)	34.92	32.71	(28.28)	(10.63)	12.18

The Company expects to contribute ₹ 23.00 Crore (Previous year: ₹ 21.68 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligations as at 31st March, 2022 is 8 years (as at 31st March, 2021: 8 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Within next 1 year	10.02	7.47
Between 1 and 2 years	21.01	17.26
Between 2 and 3 years	19.25	19.26
Between 3 and 4 years	14.18	18.04
Between 4 and 5 years	25.47	13.12
5 years onwards	799.38	607.64

(c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at 31st March, 2022 and 31st March, 2021.

Notes Forming Part of Standalone Financial Statements

38. EMPLOYEE BENEFITS: (Refer Note 30) (CONTD.)

The details of the plan assets and obligations position are as follows:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Plan assets at year end, at fair value	127.18	100.16
Present value of defined obligations at year end	125.25	100.04
Liability recognized in the Balance Sheet	-	-

The assumptions used in determining the present value of obligations of the interest rate guarantee under deterministic approach are:

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate	6.80%	6.50%
Expected Guaranteed Interest Rate	8.10%	8.50%
Expected Rate of Return on Assets	7.90%	8.35%

(d) Amount recognized as an expense in respect of leave encashment and compensated absence are ₹ 17.85 crore (₹ 17.78 crore for year ended 31st March, 2021).

39. PROVISION FOR MINES RECLAMATION EXPENSES

₹ in Crore

Particulars	2021-2022	2020-2021
Opening Balance	**8.19**	**7.71**
Add: Provision made during the year (Refer Note 33)	0.79	0.61
Add: Unwinding of discount of provision (Refer Note 32)	0.57	0.58
Less: Utilized during the year	0.89	0.71
Closing Balance	**8.66**	**8.19**

40. SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information is given below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Revenue from Operations		
Within India	14,121.28	12,666.38
Outside India	184.60	2.49
Total	**14,305.88**	**12,668.87**

All the non-current assets (Property, plant and equipment, capital work-in-progress, intangible assets, right of use assets and other non-current assets) of the Company are within India.

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

Notes Forming Part of Standalone Financial Statements

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) Subsidiaries:

Sr. No.	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
			As at 31.03.2022	As at 31.03.2021
(i)	Shree Global FZE (Direct Subsidiary Company)	UAE	100%	100%
(ii)	Shree International Holding Ltd. (Indirect Subsidiary Company)	UAE	100%	100%
(iii)	Shree Enterprises Management Ltd. (Indirect Subsidiary Company)	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
(iv)	Union Cement Company PJSC (Indirect Subsidiary Company)	UAE	98.25%	98.18%
(v)	Union Cement Norcem Company Limited L.L.C. (Indirect Subsidiary Company)	UAE	60%*	60%
(vi)	Raipur Handling and Infrastructure Private Limited (Direct Subsidiary Company)	India	100%	100%
(vii)	Shree Cement East Bengal Foundation	India	52%	52%
(viii)	Shree Cement North Private Limited (Direct Subsidiary Company) (incorporated as on 11th June, 2021)	India	100%	-
(ix)	Shree Cement East Private Limited (Direct Subsidiary Company) (incorporated as on 11th June, 2021)	India	100%	-
(x)	Shree Cement South Private Limited (Direct Subsidiary Company) (incorporated as on 11th June, 2021)	India	100%	-

* Subsequent to the end of current reporting period, the 40% stake in Union Cement Norcem Company Limited L.L.C. held by Heidelberg Cement Asia Pte. Ltd. has been acquired by Shree Global FZE (Direct Subsidiary of the Company). Beneficial holding of balance 60% is already owned by Union Cement Company PJSC (step down subsidiary of the Company). As a result, the Company now owns 100% holding of Union Cement Norcem Company Limited L.L.C. (through its subsidiaries). Further, name of the Union Cement Norcem Company Limited L.L.C. has been changed to U C N Co Ltd L.L.C.

(b) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i) The Kamla Company Limited

(ii) Shree Capital Services Ltd.

(iii) Aqua Infra Project Limited

(iv) Alfa Buildhome Pvt. Ltd.

(v) Sant Parmanand Hospital

(vi) Mannakrishna Investments Private Limited

(vii) Narmada Acidware Private Limited

(viii) Rajasthan Forum

(ix) The Bengal

(x) Education For All Trust

(xi) Shree Foundation Trust

Notes Forming Part of Standalone Financial Statements

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(c) Key Management Personnel:

(i)	Shri H.M. Bangur	Managing Director
(ii)	Shri Prashant Bangur	Joint Managing Director
(iii)	Shri P.N. Chhangani	Whole Time Director

(d) Relatives to Key Management Personnel:

(i)	Shri B.G. Bangur	Father of Shri H.M. Bangur

(e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund

(ii) Shree Cement Employees Group Gratuity Scheme

(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) Details of transactions with related parties:

₹ in Crore

Particulars	2021-2022	2020-2021
Equity contributions		
Subsidiaries	265.17	121.51
Sale of Goods/Material		
Subsidiaries	204.35	27.05
Sale of Land		
Subsidiaries	16.02	-
Entities controlled/ influenced by KMP	0.57	0.05
Purchase of Goods/Material		
Subsidiaries	2.62	0.17
Entities controlled/ influenced by KMP (₹ 7,300 for the year ended 31st March, 2021)	0.30	-
Services Received		
Subsidiaries	69.54	34.71
Entities controlled/ influenced by KMP	3.72	3.49
Services Given		
Subsidiaries	7.35	0.04
Interest Income on Loan		
Subsidiaries	0.74	0.20
Contributions Towards Corporate Social Responsibilities		
Entities controlled/ influenced by KMP	37.06	26.05
Loan Given		
Subsidiaries	21.20	16.75
Repayment Received of Loan Given		
Subsidiaries	17.20	-

Notes Forming Part of Standalone Financial Statements

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(b) Details of Balances with Related Parties:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposit Receivable		
Entities controlled/ influenced by KMP	0.63	0.63
Loan Receivable		
Subsidiaries	20.75	16.75
Interest Receivable		
Subsidiaries	0.55	0.20

(c) Key Management Personnel:

₹ in Crore

Particulars	2021-2022	2020-2021
Short Term Benefits	79.74	71.90
Post - Employment Benefits*	4.84	4.48
Total	**84.58**	**76.38**

*As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Relatives to Key Management Personnel:

₹ in Crore

Particulars	2021-2022	2020-2021
Reimbursement of Expenses	0.03	0.03

(e) Information on Transactions with Post-Employment Benefit Plans:

₹ in Crore

Particulars	2021-2022	2020-2021
Contribution (including related insurance premium) paid/ payable	37.59	27.05

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. There is no loss allowance required to be recognized for related party receivables as on 31st March, 2022 and 31st March, 2021.

42. EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit Before Tax	2,930.92	3,025.72
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,024.18	1,057.31
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(0.89)	(2.11)
Items not Deductible for Tax/not Liable to Tax (Net)	(367.13)	(330.67)
Tax losses Unutilized / Items Taxed at Different Rate	(8.54)	(54.53)
Tax Expense Relating to Earlier Years (Net)	(94.53)	(10.27)
MAT credit Relating to Earlier Years	(10.00)	-
Others	11.21	54.06
Income Tax Expense Reported	**554.30**	**713.79**

Notes Forming Part of Standalone Financial Statements

43. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7-Statement of Cash flows are shown below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening Balance of Borrowings (excluding Bank Overdraft)	**2,113.70**	**3,113.15**
Changes from Financing Cash Flows due to Proceeds From / Repayment of Borrowings	(156.80)	(899.45)
The Effect of Changes in Foreign Exchange Rates	34.49	(102.21)
Amortization of Transaction Cost on Borrowings	1.94	2.21
Closing Balance of Borrowings (excluding Bank Overdraft)	**1,993.33**	**2,113.70**

44. CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31st March, 2022 as compared to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity, and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share Capital	36.08	36.08
Other Equity	17,234.79	15,213.99
Total Equity	**17,270.87**	**15,250.07**
Long Term Debt (Including Current Maturities)	1,693.69	1,625.15
Debt to Equity Ratio	**0.10**	**0.11**

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

₹ in Crore

	As at 31.03.2022		As at 31.03.2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Amortized Cost				
Investments in Bonds and Debentures	3,521.50	3,663.24	3,758.28	3,949.10
Loans	29.69	29.69	25.69	25.69
Trade Receivables	595.65	595.65	479.42	479.42
Cash and Cash Equivalents and Other Bank Balances	118.26	118.26	209.76	209.76
Other Financial Assets	287.42	288.66	245.80	247.67
Financial Assets Classified at Fair Value Through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Exchange Traded Fund and STRIPS issued by the Govt. of India	5,079.91	5,079.91	4,612.96	4,612.96
Forward Contracts	-	-	-*	-*
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	65.95	65.95	60.18	60.18
Forward Contracts	0.13	0.13	0.85	0.85
Total Financial Assets	**9,698.51**	**9,841.49**	**9,392.94**	**9,585.63**
Financial Liabilities Classified at Amortized Cost				
Non-Current Borrowings at Floating Rate	968.92	968.92	902.77	902.77
Non-Current Borrowings at Fixed Rate	329.42	328.72	428.78	438.28
Lease Liabilities	194.89	194.89	22.75	22.75
Short Term Borrowings	715.84	715.84	801.68	801.68
Trade Payables	803.89	803.89	785.79	785.79
Other Financial Liabilities	1,435.11	1,435.11	1,277.21	1,277.21
Financial Liabilities Classified at Fair Value Through Profit or Loss				
Forward Contracts	3.58	3.58	1.84	1.84
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	26.71	26.71	87.62	87.62
Forward Contracts	5.15	5.15	1.19	1.19
Total Financial Liabilities	**4,483.51**	**4,482.81**	**4,309.63**	**4,319.13**

*₹ 6,778

Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics.

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.

c) The fair value of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments and exchange traded fund/ STRIPS issued by the Government of India.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and financial liabilities grouped into Level 1 to Level 3 as described below:

Assets and Liabilities Measured at Fair Value (Accounted)

₹ in Crore

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	2,697.40	-	-	2,697.40
Preference Shares	-	73.61	-	73.61
Exchange Traded Funds	1,545.60	-	-	1,545.60
Perpetual Bonds	-	660.65	-	660.65
STRIPS Issued by the Govt. of India	102.65	-	-	102.65
Derivatives Designated as Hedges	-	66.08	-	66.08
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	3.58	-	3.58
Derivatives Designated as Hedges	-	31.86	-	31.86

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crore

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	3,774.19	-	-	3,774.19
Preference Shares	-	93.83	-	93.83
Exchange Traded Funds	647.71	-	-	647.71
STRIPS Issued by the Govt. of India	97.23	-	-	97.23
Derivatives not Designated as Hedges	-	-*	-	-*
Derivatives Designated as Hedges	-	61.03	-	61.03
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	1.84	-	1.84
Derivatives Designated as Hedges	-	88.81	-	88.81

*₹ 6,778

Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

₹ in Crore

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	3,663.24	-	3,663.24
Loans	-	29.69	-	29.69
Other Financial Assets	-	288.66	-	288.66
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	328.72	-	328.72
Other Financial Liabilities	-	1,435.11	-	1,435.11

₹ in Crore

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	3,949.10	-	3,949.10
Loans	-	25.69	-	25.69
Other Financial Assets	-	247.67	-	247.67
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	438.28	-	438.28
Other Financial Liabilities	-	1,277.21	-	1,277.21

During the year ended 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31st March, 2022 and 31st March, 2021 respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments – both designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments - both designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market Risk and Sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at 31st March, 2022 and 31st March, 2021.

The sensitivity analysis exclude the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities expose it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates.

Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its foreign currency denominated floating interest rate foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to foreign currency denominated floating interest rate as on 31st March, 2022 and 31st March, 2021. Following is the interest rate sensitivity for unhedged exposure of Indian Rupee denominated floating interest rate borrowing:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Impact on profit before tax due to increase in 50 basis points	(1.61)	-
Impact on profit before tax due to decrease in 50 basis points	1.61	-

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Foreign Currency Risk and Sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore exposed to foreign currency exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

The following tables demonstrate the sensitivity in the USD, JPY, EURO, GBP and CHF to the Indian Rupee with all other variable held constant.

For the year ended 31st March, 2022

Particulars	Effect on Profit Before Tax (₹ in crore)				
	USD	JPY	EURO	GBP	CHF
Change in Currency Exchange Rate					
+5%	(0.66)	0.70	5.15	0.21	(0.01)
-5%	0.66	(0.70)	(5.15)	(0.21)	0.01

For the year ended 31st March, 2021

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	(0.81)	0.24	2.18	0.04
-5%	0.81	(0.24)	(2.18)	(0.04)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

The ageing of trade receivables is as below:

₹ in Crore

Particulars	Neither Due nor Impaired	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022							
Undisputed							
-Considered Good	505.72	85.45	1.38	0.84	0.45	1.81	595.65
-Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
-Considered Good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	0.26	0.01	0.22	0.67	1.12	2.28
Gross Total	**505.72**	**85.71**	**1.39**	**1.06**	**1.12**	**2.93**	**597.93**
Less: Allowance for trade receivables which have significant increase in credit risk							2.28
Net Total							**595.65**
As at 31st March, 2021							
Undisputed							
-Considered Good	395.40	80.72	1.12	0.97	0.38	0.83	479.42
-Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
-Considered Good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	0.30	0.23	0.58	0.39	0.85	2.35
Gross Total	**395.40**	**81.02**	**1.35**	**1.55**	**0.77**	**1.68**	**481.77**
Less: Allowance for trade receivables which have significant increase in credit risk							2.35
Net Total							**479.42**

Movement in Allowance for trade receivables which have significant increase in credit risk are given below:

₹ in Crore

Particulars	2021-2022	2020-2021
Opening Balance	**2.35**	**1.87**
Add: Provision/ (Reversal) made during the year (Refer note 33)	(0.07)	0.48
Less: Utilized during the year	-	-
Closing Balance	**2.28**	**2.35**

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹ 9,698.51 crore as at 31st March, 2022 and ₹ 9,392.94 crore as at 31st March, 2021, which is the carrying amounts of cash and cash equivalents, other bank balances, investments (other than equity investments in subsidiary), trade receivables, loans and other financial assets.

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables and other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at 31st March, 2022

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	716.68	1,300.27	-	2,016.95
Lease Liabilities	61.67	152.58	5.51	219.76
Trade Payables	803.89	-	-	803.89
Derivative Financial Instruments	15.16	20.28	-	35.44
Other Financial Liabilities	1,319.72	115.39	-	1,435.11
Total	**2,917.12**	**1,588.52**	**5.51**	**4,511.15**

As at 31st March, 2021

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	802.61	1,335.34	-	2,137.95
Lease Liabilities	9.53	15.08	4.63	29.24
Trade Payables	785.79	-	-	785.79
Derivative Financial Instruments	18.68	71.97	-	90.65
Other Financial Liabilities	1,174.90	102.31	-	1,277.21
Total	**2,791.51**	**1,524.70**	**4.63**	**4,320.84**

47. DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instruments outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2022	As at 31.03.2021
Forward Contracts	Imports	USD	7.99	4.75
		JPY	22.04	7.05
		EURO	1.18	0.49
		GBP	0.04	0.01
Cross Currency & Interest Rate Swaps	ECB	SGD	7.85	8.83
Interest Rate Swaps	ECB	USD	12.33	15.61
Cross Currency Swaps	ECB	USD	18.33	22.36

Notes Forming Part of Standalone Financial Statements

47. DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

Cash Flow Hedges

The objective of cross currency & interest rate swaps and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 21 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above derivatives are as under:

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swaps	65.95	26.71	60.18	87.62
Forward Contracts	0.13	5.15	0.85	1.19

The movement of effective portion of cash flow hedges is shown below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening Balance	**(35.33)**	**(29.65)**
Gain/(loss) recognized on cash flow hedges	(37.30)	(239.12)
Income tax relating to gain/(loss) recognized on cash flow hedges	13.86	80.35
Reclassified to Profit or Loss #	59.87	219.48
Income tax relating to Reclassified to Profit or Loss	(20.91)	(74.32)
Amount transferred to initial cost of non-financial asset	7.72	12.00
Income tax relating to amount transferred to initial cost of non-financial asset	(2.82)	(4.07)
Closing Balance	**(14.91)**	**(35.33)**

Includes ₹ (37.50) crore (Previous year ₹ 101.78 crore) to Foreign Exchange Rate Differences and ₹ 97.37 crore (Previous Year ₹ 117.70 crore) to Finance Cost.

Notes Forming Part of Standalone Financial Statements

47. DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

Foreign Currency Forward Contracts

The Company also enters into other forward contracts with intention to reduce the foreign exchange risk of expected purchases.

Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

The fair value of foreign currency forward contracts is as under:

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	-	3.58	-*	1.84

*₹ 6,778

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognized in profit or loss is ₹ (2.04) crore for the year ended 31st March, 2022 (₹ (0.51) crore for the year ended 31st March, 2021).

48. COLLATERALS

Inventory, Trade Receivables, Other Current Assets, Property, Plant and Equipment are hypothecated / mortgaged as collateral/security against the borrowings (Refer Note 21 and 24). Additionally, some of the fixed deposits and investments are pledged against working capital facilities.

49. EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2021-2022	2020-2021
Profit or Loss attributable to ordinary Equity shareholders	₹ in crore	2,376.62	2,311.93
Equity Share Capital	₹ in crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	3,60,80,748	3,60,80,748
Earnings Per Share – Basic and Diluted	₹	658.69	640.77

B. Cash EPS : (Profit for the year+ Depreciation and Amortisation Expenses +Deferred Tax excluding MAT credit related to earlier years)/ Weighted average number of equity shares outstanding .

50. Disclosure of Loans & Advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

₹ in Crore

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Shree Cement East Bengal Foundation (for meeting its working capital requirements)*	20.75	16.75	20.75	16.75	-	-

* Unsecured Loan repayable on demand at interest rate in the range of 8% to 9% per annum as at 31st March, 2022 and 9% per annum as at 31st March, 2021. This constitutes 69.89% (65.20% of total loans given as at 31st March, 2021) of total loans given as at 31st March, 2022.

Notes Forming Part of Standalone Financial Statements

51. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend Proposed to be distributed

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Dividend Proposed for Equity Shareholders (Refer Note 51.1)	162.36	216.48

51.1 ₹ 45 per share for FY 2021-22 (₹ 60 per share for FY 2020-21).

52. TRADE PAYABLES

A. The ageing of trade payables is as below:

₹ in Crore

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022						
Undisputed						
-MSME	6.50	-	-	-	-	6.50
-Others	536.76	99.34	3.14	0.70	1.43	641.37
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	0.01	-	-	0.01
Total	**543.26**	**99.34**	**3.15**	**0.70**	**1.43**	**647.88**
Add: Provision for Expenses						156.01
Total Trade payable						**803.89**
As at 31st March, 2021						
Undisputed						
-MSME	4.06	-	-	-	-	4.06
-Others	500.10	133.52	6.13	4.66	3.69	648.10
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	0.21	0.13	-	0.34
Total	**504.16**	**133.52**	**6.34**	**4.79**	**3.69**	**652.50**
Add: Provision for Expenses						133.29
Total Trade Payable						**785.79**

B. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises ("MSME") Development Act, 2006:

₹ in Crore

Sr. No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	6.50	4.06
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	6.50	4.06
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of Standalone Financial Statements

53. FINANCIAL RATIOS

S. N.	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
a)	Current Ratio (Current Assets/Current Liabilities)	1.69	1.69
b)	Debt Equity Ratio (Long Term Debt + Current Maturities of Long Term Debt)/ (Net Worth)	0.10	0.11
c)	Debt Service Coverage Ratio [(Profit Before Tax + Finance Costs + Depreciation)/(Finance Costs + Term Loan Repayment During the Year)] (Refer Note 53.1)	8.24	4.61
d)	Return on Equity Ratio/ Return on Investment (Profit After Tax/ Net Worth)	13.76%	15.16%
e)	Inventory Turnover (Times) (Revenue from Operations/ Annual Average Inventory)	7.86	8.72
f)	Trade Receivables Turnover Ratio (Times) (Gross Revenue from Operations /Annual Average Trade Receivables) (Refer Note 53.2)	33.58	24.66
g)	Trade Payables Turnover Ratio (Times) (Purchases /Annual Average Trade Payables where Purchases are Total Expenses reduced by Depreciation & Amortisation Expenses, Finance Costs and Employee Benefits Expenses)	12.39	12.07
h)	Net Capital Turnover Ratio (Revenue from Operations/ Net Worth)	0.83	0.83
i)	Net Profit Ratio (Profit After Tax/ Revenue from Operations)	16.61%	18.25%
j)	Return on Capital Employed (Earnings Before Interest & Tax/ Average Capital Employed where Capital Employed is Net Worth + Total Debt (Long Term + Short Term))	17.17%	19.56%

53.1 Debt Service Coverage Ratio improved mainly due to repayment of term loans of ₹ 290.17 crore for the year ended 31st March, 2022 as compared to ₹ 710.30 crore for the year ended 31st March, 2021.

53.2 Trade receivable turnover ratio has increased due to increase in gross revenue from operations and decrease in average trade receivables.

54. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at 31st March, 2022. Looking to the present situation of pandemic, the extent to which the same will impact Company's future financial results is currently uncertain and will depend on further developments. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

55. Previous year figures have been regrouped and rearranged wherever necessary.

56. Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 56

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place: Kolkata

P.N. Chhangani
Whole Time Director
DIN: 08189579
Place: Kolkata

Dr. Y.K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

R.L. Gaggar
Independent Director
DIN: 00066068
Place: Kolkata

Shreekant Somany
Independent Director
DIN: 00021423
Place: Kolkata

Uma Ghurka
Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Shree Cement Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTERS:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods	
The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included the following: • Considered the appropriateness of Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; • Assessed the relevant disclosures made in the consolidated financial statements.

DESCRIPTION OF KEY AUDIT MATTERS: (CONTD.)

Litigation, Claims and Contingent Liabilities	
The Group is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities; • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable', 'possible' and 'remote'; • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the consolidated financial statements; • For those matters where Group concluded that no provision should be recorded, we also considered the adequacy and completeness of the Group's disclosures made in relation to contingent liabilities.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.
The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose

of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

a) We did not audit the financial statements of nine subsidiaries, whose financial reflect total assets of ₹ 3,397.29 crore as at 31st March, 2022, total revenues of ₹ 943.19 crore and net cash flows amounting to ₹ (317.39) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit / (loss) of ₹ (44.34) crore for the year ended 31st March, 2022, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the consolidated financial statements above, 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 auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, to the extent applicable, we report that:

    (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2022, from being appointed as a director in terms of section 164 (2) of the Act.

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The consolidated financial statement discloses the impact of pending litigations on the consolidated financial position of the Group. Refer Note 35 to the consolidated financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

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

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) (a) The final dividend 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;

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act;

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No.085323
UDIN: 22085323AJNCSE5266

Place: Kolkata
Date: 21st May, 2022

Annexure ’A’ to the Independent Auditors’ Report

(Referred to in Paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Shree Cement Limited hereinafter referred to as (“the Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 in so far as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No.085323
UDIN: 22085323AJNCSE5266

Place: Kolkata
Date: 21st May, 2022

Consolidated Balance Sheet

as at 31st March, 2022

(₹ in Crore)

	Notes	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	6,724.19	5,714.50
Capital Work-in-Progress	37	1,053.52	996.54
Intangible Assets	8	57.25	60.25
Right of Use Assets	9	500.80	441.50
Financial Assets			
Investments	10	5,506.34	4,699.03
Loans	11	4.35	4.46
Other Financial Assets	12	137.53	130.07
Deferred Tax Assets (Net)	13	674.39	786.08
Non-Current Tax Assets (Net)		27.35	102.03
Other Non-Current Assets	14	592.83	391.38
		15,278.55	**13,325.84**
Current Assets			
Inventories	15	2,497.02	1,715.72
Financial Assets			
Investments	16	3,526.30	3,801.47
Trade Receivables	17	788.29	679.43
Cash and Cash Equivalents	18	148.56	472.14
Bank Balances other than Cash and Cash Equivalents	19	141.09	236.21
Loans	11	25.34	21.23
Other Financial Assets	12	236.27	191.61
Other Current Assets	14	1,107.46	1,069.52
		8,470.33	**8,187.33**
Total Assets		**23,748.88**	**21,513.17**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	20	36.08	36.08
Other Equity	21	17,424.20	15,361.33
Total Equity Attributable to Owners of the Company		**17,460.28**	**15,397.41**
Non Controlling Interest		50.29	51.16
Total Equity		**17,510.57**	**15,448.57**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	22	1,298.34	1,331.55
Lease Liabilities		87.64	83.95
Other Financial Liabilities	23	136.15	174.28
Provisions	24	29.74	31.75
		1,551.87	**1,621.53**
Current Liabilities			
Financial Liabilities			
Borrowings	25	715.84	802.30
Lease Liabilities		27.40	12.08
Trade Payables	55		
Total Outstanding Dues of Micro and Small Enterprises		6.51	4.08
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		883.86	878.89
Other Financial Liabilities	23	1,391.77	1,254.32
Other Current Liabilities	26	1,338.47	1,415.01
Provisions	24	8.41	8.30
Current Tax Liabilities (Net)		314.18	68.09
		4,686.44	**4,443.07**
Total Equity and Liabilities		**23,748.88**	**21,513.17**
Significant Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place: Kolkata

P.N. Chhangani
Whole Time Director
DIN: 08189579
Place: Kolkata

Dr. Y.K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

R.L. Gaggar
Independent Director
DIN: 00066068
Place: Kolkata

Shreekant Somany
Independent Director
DIN: 00021423
Place: Kolkata

Uma Ghurka
Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ in Crore)

	Notes	For the year ended 31.03.2022	For the year ended 31.03.2021
INCOME			
Revenue from Operations			
Gross Revenue from Operations		18,763.91	17,034.22
Less: GST/VAT recovered		3,754.35	3,474.45
Net Revenue from Operations	27	15,009.56	13,559.77
Other Income	28	545.89	438.26
Total Income		**15,555.45**	**13,998.03**
EXPENSES			
Cost of Materials Consumed	29	1,129.89	976.37
Purchases of Stock-in-Trade		87.51	43.66
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	30	(179.21)	49.60
Employee Benefits Expenses	31	913.46	869.22
Power and Fuel		3,620.18	2,397.90
Freight and Forwarding Expenses	32	3,298.96	3,110.19
Finance Costs	33	216.12	251.29
Depreciation and Amortisation Expenses	7, 8 & 9	1,145.88	1,262.34
Other Expenses	34	2,459.12	2,048.65
		12,691.91	11,009.22
Captive Consumption of Cement		(28.28)	(15.27)
Total Expenses		**12,663.63**	**10,993.95**
PROFIT BEFORE TAX		**2,891.82**	**3,004.08**
Tax Expense	44		
Current Tax		547.93	765.27
Tax Expense Relating to Earlier Years (Net)		(104.53)	(10.27)
Deferred Tax (Credit) / Charge		111.81	(40.51)
		555.21	714.49
PROFIT FOR THE YEAR		**2,336.61**	**2,289.59**
Profit Attributable to:			
Owners of the Company		2,331.94	2,285.87
Non Controlling Interest		4.67	3.72
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss- Re-measurements of the Defined Benefit Plans	39(b)	5.82	13.01
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(1.41)	(3.74)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedge and Exchange Differences on Translation of Foreign Operation	49	108.22	(87.02)
Income Tax relating to Items that will be Reclassified to Profit or Loss		(7.05)	6.03
		105.58	(71.72)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the Year)		**2,442.19**	**2,217.87**
Other Comprehensive Income Attributable to:			
Owners of the Company		104.02	(70.30)
Non Controlling Interest		1.56	(1.42)
		105.58	(71.72)
Total Comprehensive Income Attributable to:			
Owners of the Company		2,435.96	2,215.57
Non Controlling Interest		6.23	2.30
		2,442.19	**2,217.87**
Earnings per Equity Share of ₹ 10 each (In ₹)	51		
Cash		994.29	971.52
Basic and Diluted		646.31	633.54
Significant Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

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Managing Director
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Joint Managing Director
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Partner
Membership No. 085323
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Independent Director
DIN: 00351117
Place: London (U.K.)

Nitin Desai
Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Date : 21st May, 2022

Consolidated Cash Flow Statement

for the year ended 31st March, 2022

(₹ in Crore)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
A Cash Flow From Operating Activities				
Profit Before Tax		**2,891.82**		**3,004.08**
Adjustments For :				
Depreciation and Amortisation Expenses	1,145.88		1,262.34	
Foreign Exchange Rate Differences (Net)	1.43		2.33	
Bad Debts Written Off	0.05		-	
Allowance for Doubtful Trade Receivables (Net)	5.99		20.65	
Net (Gain)/ Loss on Sale of Investments	(102.53)		(35.13)	
(Gain)/ Loss on Fair Value of Investments through Profit or Loss	(114.74)		(156.59)	
Interest Income	(315.73)		(229.94)	
Dividend Income on Investments Classified at Fair Value through Profit or Loss	(6.32)		(9.16)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(5.06)		(3.72)	
Loss on Sale of Precious Metals	0.06		-	
Finance Costs	216.12	825.15	251.29	1,102.07
Operating Profit Before Working Capital Changes		**3,716.97**		**4,106.15**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	(99.57)		416.99	
(Increase) / Decrease in Inventories	(772.32)		(8.97)	
Increase / (Decrease) in Trade & Other Payables and Provisions	24.23	(847.66)	484.68	892.70
Cash Generated From Operations		**2,869.31**		**4,998.85**
Direct Taxes Paid (Net of Refunds)		(201.33)		(745.06)
Net Cash Flow From Operating Activities		**2,667.98**		**4,253.79**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Capital Advances)	(2,215.84)		(1,121.38)	
Proceeds from Sale of Property, Plant and Equipment	8.80		5.46	
Payments for Intangible Assets	(2.38)		(13.20)	
(Purchases) / Proceeds of Investments in Mutual Funds / Exchange Traded Funds (Net)	361.63		(753.82)	
Purchases of Other Investments	(1,149.32)		(2,110.41)	
Proceeds from Sale/ Redemption of Other Investments	450.24		890.40	
Investments in a Subsidiary Company (Refer Note 10.4)	-		(0.03)	
Loan given to Subsidiary Company (Refer Note 10.4)	(21.20)		(16.75)	
Repayment received for Loan given to Subsidiary Company (Refer Note 10.4)	17.20		-	
Investments in Bank Deposits	(37.28)		(270.45)	
Maturity of Bank Deposits	163.07		524.66	
Change in Earmarked Balances with Banks (Unpaid Dividend)	0.05		2.19	
Amount Deposited in Escrow Account (Refer Note 19.1)	(29.42)		-	
Dividend Received	6.32		9.16	
Interest Received	296.76		209.13	
Net Cash Used in Investing Activities		**(2,151.37)**		**(2,645.04)**

Consolidated Cash Flow Statement

for the year ended 31st March, 2022

(₹ in Crore)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
C Cash Flow From Financing Activities				
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest	(0.81)		(6.53)	
Proceeds from Long Term Borrowings	322.28		-	
Repayment of Long Term Borrowings	(290.17)		(710.30)	
Repayment of Lease Liabilities	(98.38)		(61.55)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(188.91)		(189.15)	
Interest and Financial Charges Paid	(209.06)		(253.98)	
Dividend Paid	(384.33)		(11.13)	
Net Cash Used in Financing Activities		**(849.38)**		**(1,232.64)**
Net (Decrease) / Increase in Cash and Cash Equivalents		**(332.77)**		**376.11**
Cash and Cash Equivalents as at the beginning of the Year		**451.99**		**81.69**
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries		8.49		(5.81)
Cash and Cash Equivalents as at the end of the Year		**127.71**		**451.99**

Notes :

1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

2 The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.

3 For the purpose of Consolidated Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Crore)

	As at 31.03.2022	As at 31.03.2021
Balances with Banks	111.81	432.55
Cash on Hand	1.36	1.02
Call Deposits with Banks	14.53	0.61
Fixed Deposits with Banks Having Original Maturity upto 3 Months	20.86	37.96
	148.56	**472.14**
Less: Bank Overdraft	20.85	20.15
	127.71	**451.99**

4. Refer Note 45 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Kolkata

Prashant Bangur
Joint Managing Director
DIN: 00403621
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Independent Director
DIN: 02895410
Place: Kolkata

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL (Refer Note 20)

For the year ended 31st March, 2022

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 01st April, 2020	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31st March, 2021	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at 31st March, 2022	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 21)

For the year ended 31st March, 2022

(₹ in Crore)

Particulars	Attributable to Owners of the Company										
	Reserves and Surplus						Items of OCI		Total Other Equity Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges			
Opening Balance as at 01st April, 2021	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,500.00**	**6,322.68**	**134.31**	**(35.33)**	**15,361.33**	**51.16**	**15,412.49**
Profit for the year						2,331.94			2,331.94	4.67	2,336.61
Other Comprehensive Income for the year											
Re-measurements of the Defined Benefit Plans (Net of Tax)						4.39			4.39	0.02	4.41
Net movement of Cash Flow Hedges (Net of Tax) (Refer note 49)								15.52	15.52		15.52
Exchange Differences on Translation of Foreign Operation							84.11		84.11	1.54	85.65
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 49)								4.90	4.90		4.90
Transfer to /(from) Retained Earnings					500.00	(500.00)			-		-
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						0.85			0.85	(1.66)	(0.81)
Final Dividend on Equity Shares (Note 1 below)						(216.48)			(216.48)		(216.48)
Interim Dividend on Equity Shares (Note 2 and 3 below)						(162.36)			(162.36)	(5.44)	(167.80)
Closing Balance as at 31st March, 2022	**15.00**	**10.84**	**2,408.63**	**5.20**	**7,000.00**	**7,781.02**	**218.42**	**(14.91)**	**17,424.20**	**50.29**	**17,474.49**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

For the Year ended 31st March, 2021

(₹ in Crore)

Particulars	Attributable to Owners of the Company									Attributable to Non Controlling Interest	Total Other Equity
	Reserves and Surplus						Items of OCI		Total Other Equity Attributable to Owners of the Company		
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges			
Opening Balance as at 01st April, 2020	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,000.00**	**4,523.09**	**200.24**	**(29.65)**	**13,133.35**	**68.81**	**13,202.16**
Profit for the year						2,285.87			2,285.87	3.72	2,289.59
Other Comprehensive Income for the year											
Re-measurements of the Defined Benefit Plans (Net of Tax)						9.24			9.24	0.03	9.27
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 49)								(13.61)	(13.61)		(13.61)
Exchange Differences on Translation of Foreign Operation							(65.93)		(65.93)	(1.45)	(67.38)
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 49)								7.93	7.93		7.93
Transfer to /(from) Retained Earnings					500.00	(500.00)			-		-
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						4.48			4.48	(11.01)	(6.53)
Interim Dividend on Equity Shares (Note 3 below)									-	(8.94)	(8.94)
Closing Balance as at 31st March, 2021	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,500.00**	**6,322.68**	**134.31**	**(35.33)**	**15,361.33**	**51.16**	**15,412.49**

Note 1 : Final Dividend declared at the rate of ₹ 60 per share of ₹ 10 each for FY 2020-21.

Note 2 : Interim Dividend declared at the rate of ₹ 45 per share of ₹ 10 each for FY 2021-22.

Note 3 : Dividend distributed to the non-controlling interest pertains to the dividend declared by a Subsidiary.

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

Nature of Reserves

Capital Redemption Reserve

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Capital Reserve

Company's Capital Reserve is on account of acquisition of controlling stake in Union Cement Company (PJSC) (UCC) and Raipur Handling and Infrastructure Private Limited (RHIPL).

Securities Premium

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

Statutory Reserve

According to the articles of association of Union Cement Company (PJSC) (Subsidiary Company) and the requirements of the U.A.E. Federal Law No. (2) of 2015, 10% of the profit for each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Foreign Currency Translation Reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in the foreign currency translation reserve.

Effective Portion of Cash Flow Hedges

The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cash flow hedges is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Gupta & Dua
Chartered Accountants
Firm's Registration No. 003849N

Mukesh Dua
Partner
Membership No. 085323
Place: Kolkata

Date : 21st May, 2022

For and on behalf of the Board

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Chairman
DIN: 00244196
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Place: Kolkata

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Independent Director
DIN: 00094311
Place: Kolkata

Subhash Jajoo
Chief Finance Officer
Place: Kolkata

S S Khandelwal
Company Secretary
Place: Kolkata

Notes Forming Part of Consolidated Financial Statements

1. CORPORATE INFORMATION

Shree Cement Limited ("the Holding Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District- Ajmer-305901 (Rajasthan), India.

The Consolidated Financial Statements comprise financial statements of Shree Cement Limited ("the Holding Company") and its subsidiaries together referred to as "the Company" or "the Group".

The Company is engaged in the manufacturing and selling of cement and cement related products. It is regarded as one of the most efficient and environment friendly Company in the global cement industry.

For Company's principal shareholders, Refer Note No. 20.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements (hereinafter referred to as "financial statements" in the consolidated financial statements) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

These Consolidated Financial Statements are approved and adopted by the Board of Directors of the Company in their meeting held on 21st May, 2022.

3. PRINCIPLES OF CONSOLIDATION:

The subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	% Shareholding and Voting Power As at 31.03.2022	% Shareholding and Voting Power As at 31.03.2021
1	Shree Global FZE	UAE	100%	100%
2	Shree International Holding Ltd.	UAE	100%	100%
3	Shree Enterprises Management Ltd.	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
4	Union Cement Company (PJSC)	UAE	98.25%	98.18%
5	Union Cement Norcem Company Limited L.L.C.	UAE	60%*	60%
6	Raipur Handling and Infrastructure Private Limited	India	100%	100%
7	Shree Cement North Private Limited (w.e.f. 11.06.2022)	India	100%	-
8	Shree Cement East Private Limited (w.e.f. 11.06.2022)	India	100%	-
9	Shree Cement South Private Limited (w.e.f. 11.06.2022)	India	100%	-

* Subsequent to the end of current reporting period, the 40% stake in Union Cement Norcem Company Limited L.L.C. held by Heidelberg Cement Asia Pte. Ltd. has been acquired by Shree Global FZE (Direct Subsidiary of the Company). Beneficial holding of balance 60% is already owned by Union Cement Company PJSC (step down subsidiary of the Company). As a result, The Company now owns 100% holding of Union Cement Norcem Company Limited L.L.C. Further, name of the Union Cement Norcem Company Limited L.L.C. has been changed to U C N Co Ltd L.L.C.

The Consolidated Financial Statements of the Group are prepared on following basis:

a) The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013.

b) The Financial Statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions and any unrealized profits or losses arising from intra group transaction, are eliminated. Unrealized losses

Notes Forming Part of Consolidated Financial Statements

are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

c) Non-Controlling Interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

e) The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2022.

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the period. The exchange differences arising on translation for consolidation are recognized in Other Comprehensive Income (OCI) except to the extent those exchange differences are allocated to non-controlling interest. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognized to the profit or loss.

4. NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

a) Amendment in Schedule III of the Companies Act, 2013

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013 which is applicable from 1st April, 2021. The effect of said amendment has been incorporated in these financial statements to the extent applicable to the Company.

b) Ind AS Amendments

The MCA issued certain amendments to Ind AS dated 18th June, 2021 amending various standards. These amendments are related to following areas:

- Interest rate benchmark related reforms (phase 2);
- Extension of practical expedient for rent concession for rent payments upto 30th June, 2022;
- Amendments consequent to issue of Conceptual Framework for financial reporting under Ind AS, issued by the Institute of Chartered Accountants of India.

These amendments are effective from 1st April, 2021 and the effect of these amendments has been incorporated in these financial statements to the extent applicable to the Company. There is no material effect of these amendments on the financial statements of the Company.

(ii) Application of New Amendments Issued But Not Yet Effective

MCA notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify 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.

Ind AS 16 - Proceeds before Intended Use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit

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or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments to have any significant impact in its financial statements.

5. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

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

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 5 (r))
- Employee's defined benefit plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("₹") and all values are rounded to the nearest crore, except otherwise indicated.

b) Classification of Assets and Liabilities into Current / Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realize the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or
4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes Forming Part of Consolidated Financial Statements

All other liabilities are classified as non-current.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All subsequent costs are charged to Statement of Profit and Loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under “other non-current assets”.

Depreciation is provided on written down value method except in case of some subsidiary companies on Straight Line Method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant and Equipment	3-30 Years
Buildings (including Roads)	10-35 Years
Railway Siding	15-20 Years
Vehicles	5-6 Years
Office Equipment	3-6 Years
Furniture & Fixtures	5-10 Years

Freehold land containing mineral reserve is amortized over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis upto the date of deduction/disposal.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is disposed and / or derecognized.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use.

Amortization is provided on a written down value method except in case of some subsidiary companies on Straight Line Method over estimated useful lives. Mining rights is amortized based on units-of-production method. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Computer Software	3-10 Years
Private Freight Terminal License	Over the period of license right

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on

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development phase which results in creation of assets is included in related assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Impairment of Non-Financial Assets

The carrying amount of assets is reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of cash generating unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

g) Revenue Recognition

Revenue is recognized to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognized when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Service Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognized when the right to receive the payment is established. Interest is recognized using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognized as profit or loss on sale/ redemption of investment on date of transaction.

i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with

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reasonable certainty, are recognized only when collection is virtually certain which generally coincides with receipt.

j) **Government Grants**

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognized in the Statement of Profit and Loss on a systematic basis over the period to match them with the related costs.

Grants related to an asset are included in liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognized in the Statement of Profit and Loss.

k) **Employee Benefits**

1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme , Employees State Insurance Corporation (ESIC) and Retirement Pension and Social Security Scheme are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year in which employees have rendered related services.

2) Defined Benefit Plan

Gratuity and End of Service Benefit is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expenses'.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognizes such contribution and shortfall, if any, as an expense in the year incurred.

3) Other Long Term Benefits

Encashable leave and non encashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/losses, if any, are recognized in the Statement of Profit and Loss in the year in which they arise.

4) Other Short term Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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l) **Foreign Currency Transaction**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also Holding Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency of the entity in the Group, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise, except the amount of such differences capitalized in accordance with policy on 'Borrowing Costs'.

m) **Taxation**

Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such case the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognized for all taxable temporary difference and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Tax credit is recognized in respect of Minimum Alternate Tax ("MAT") paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

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n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel

These are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

2) Work-in-Progress, Finished Goods and Stock-in-Trade

These are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

o) Provisions and Contingencies

1) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Mines Reclamation Expenditure

The Company provides for the expenditure to reclaim the quarries used for mining, in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

2) Contingencies

Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognized.

p) Leases

At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to lease agreements in which it is the lessee.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right of use asset measured at inception at the amount of the initial measurement of the

Notes Forming Part of Consolidated Financial Statements

lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated amortization, accumulated impairment losses, if any. Right of use assets are amortized on straight line basis over the shorter period of lease term and useful life of the underlying asset.

The right of use assets and lease liability is presented separately on the face of the Balance sheet as 'Right of Use Assets' and 'Lease Liability' respectively.

q) Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognized in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a Business Combination and recognized separately from Goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognizes any additional assets or liabilities that are so identified, any gain thereafter is recognized in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in Statement of Profit and Loss.

r) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement

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

These include trade receivables, cash and cash equivalents, other bank balances, fixed

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deposits with banks, investments, loans and other financial assets.

Classification and Subsequent Measurement
Financial assets are subsequently measured at amortized cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

a) *Financial Assets at Amortized Cost*
A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) *Financial Assets at Fair Value Through Other Comprehensive Income*
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) *Financial Assets at Fair Value Through Profit or Loss*
A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and interest income on financial assets at fair value through profit or loss is recognized as dividend and interest income respectively and included in 'other income'.

Derecognition
The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities

Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivative designated as hedging instruments in an effective hedge, as appropriate.

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

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Classification and Subsequent Measurement
The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

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a) *Financial liabilities at Fair Value Through Profit or Loss*
Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

b) *Other Financial Liabilities*
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using effective interest rate method.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

3) **Derivative Financial Instruments and Hedge Accounting**
The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and some foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income (net of tax) and the ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) **Financial Liabilities and Equity Instruments**
Classification as Debt or Equity
Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments
An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company

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are recognized at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

s) Cash and Cash Equivalents

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

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

t) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the owners of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

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e) **Mines Reclamation Obligation**
The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government securities of similar tenure.

f) **Defined Benefit Plan**
The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate.
Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date. Refer Note 39 for sensitivity analysis.

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

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7. PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Particulars	GROSS BLOCK					DEPRECIATION / AMORTIZATION					NET BLOCK
	Opening as at 01.04.2021	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2022	Opening as at 01.04.2021	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31.03.2022	As at 31.03.2022
Tangible Assets :											
Free Hold Land	1,451.99	-	354.65	1.38	1,805.26	11.53	3.51	-	-	15.04	1,790.22
Buildings	1,231.93	2.09	148.34	0.41	1,381.95	667.10	136.93	0.27	0.01	804.29	577.66
Plant and Equipment	10,199.87	66.07	1,513.35 **(a)**	10.23	11,769.06	6,542.45	954.11	11.30	9.84	7,498.02	4,271.04
Railway Sidings	66.04	-	1.91	-	67.95	34.12	6.28	-	-	40.40	27.55
Furniture and Fixtures	46.57	0.05	10.66	1.24	56.04	43.33	5.69	0.03	1.18	47.87	8.17
Office Equipment	75.12	0.13	13.43	3.41	85.27	67.03	10.28	0.06	3.36	74.01	11.26
Vehicles	45.63	0.15	40.85	7.45	79.18	37.09	9.57	0.07	5.84	40.89	38.29
Total	**13,117.15**	**68.49**	**2,083.19**	**24.12**	**15,244.71**	**7,402.65**	**1,126.37 (b)**	**11.73**	**20.23**	**8,520.52**	**6,724.19**

₹ in Crore

Particulars	GROSS BLOCK					DEPRECIATION / AMORTIZATION					NET BLOCK
	Opening as at 01.04.2020	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Opening as at 01.04.2020	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31.03.2021	As at 31.03.2021
Tangible Assets :											
Free Hold Land	1,227.04	-	224.97	0.02	1,451.99	8.72	2.81	-	-	11.53	1,440.46
Buildings	1,128.57	(1.71)	105.77	0.70	1,231.93	519.78	147.47	(0.12)	0.03	667.10	564.83
Plant and Equipment	9,302.93	(48.58)	961.37 **(a)**	15.85	10,199.87	5,495.80	1,067.16	(5.51)	15.00	6,542.45	3,657.42
Railway Sidings	63.08	-	2.96	-	66.04	26.98	7.14	-	-	34.12	31.92
Furniture and Fixtures	44.51	(0.04)	2.28	0.18	46.57	40.05	3.46	(0.01)	0.17	43.33	3.24
Office Equipment	68.79	(0.12)	7.85	1.40	75.12	58.84	9.61	(0.04)	1.38	67.03	8.09
Vehicles	43.80	(0.09)	5.19	3.27	45.63	31.20	9.03	(0.07)	3.07	37.09	8.54
Total	**11,878.72**	**(50.54)**	**1,310.39**	**21.42**	**13,117.15**	**6,181.37**	**1,246.68 (b)**	**(5.75)**	**19.65**	**7,402.65**	**5,714.50**

(a) Includes ₹ 2.56 crore (for the year ended 31st March, 2021 ₹ 6.32 crore) for capital expenditure on research and development.

(b) Depreciation for the year includes ₹ 28.37 crore (for the year ended 31st March, 2021 ₹ 8.25 crore) on assets during construction period.

(c) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP carrying value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹ 8,508.98 crore and ₹ 5,587.79 crore, respectively.

Notes Forming Part of Consolidated Financial Statements

8. INTANGIBLE ASSETS

₹ in Crore

Particulars	COST					AMORTIZATION					Net Carrying Amount as at 31.03.2022
	Opening as at 01.04.2021	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2022	Opening as at 01.04.2021	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31.03.2022	
Intangible Assets :											
Computer Software	29.91	0.31	2.38	0.01	32.59	23.45	4.18	0.17	-	27.80	4.79
Private Freight Terminal License	30.93	-	-	-	30.93	3.12	1.08	-	-	4.20	26.73
Mining Rights	27.20	-	-	-	27.20	1.22	0.25	-	-	1.47	25.73
Total	**88.04**	**0.31**	**2.38**	**0.01**	**90.72**	**27.79**	**5.51**	**0.17**	**-**	**33.47**	**57.25**

₹ in Crore

Particulars	COST					AMORTIZATION					Net Carrying Amount as at 31.03.2021
	Opening as at 01.04.2020	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Opening as at 01.04.2020	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31.03.2021	
Intangible Assets :											
Computer Software	25.06	(0.21)	5.16	0.10	29.91	18.95	4.68	(0.08)	0.10	23.45	6.46
Private Freight Terminal License	30.93	-	-	-	30.93	2.04	1.08	-	-	3.12	27.81
Mining Rights	19.16	-	8.04	-	27.20	0.95	0.27	-	-	1.22	25.98
Total	**75.15**	**(0.21)**	**13.20**	**0.10**	**88.04**	**21.94**	**6.03**	**(0.08)**	**0.10**	**27.79**	**60.25**

(a) As on transition to Ind AS on 01.07.2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

Notes Forming Part of Consolidated Financial Statements

9. RIGHT OF USE ASSETS

₹ in Crore

Particulars	GROSS CARRYING AMOUNT					AMORTIZATION					Net Carrying Amount as at 31.03.2022
	Opening as at 01.04.2021	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2022	Opening as at 01.04.2021	Effect of foreign currency translation	For the year (Refer note 9(b))	Deductions/ adjustments during the year	Upto 31.03.2022	
Land	465.31	2.17	49.90	0.10	517.28	39.23	0.06	10.35	0.10	49.54	467.74
Buildings	24.24	0.05	28.87	14.00	39.16	12.78	0.04	21.99	14.00	20.81	18.35
Plant and Equipment	3.02	-	17.39	6.49	13.92	2.67	-	11.77	6.49	7.95	5.97
Vehicles	7.84	-	11.19	3.64	15.39	4.23	-	6.00	3.58	6.65	8.74
Total	**500.41**	**2.22**	**107.35**	**24.23**	**585.75**	**58.91**	**0.10**	**50.11**	**24.17**	**84.95**	**500.80**

₹ in Crore

Particulars	GROSS CARRYING AMOUNT					AMORTIZATION					Net Carrying Amount as at 31.03.2021
	Opening as at 01.04.2020	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Opening as at 01.04.2020	Effect of foreign currency translation	For the year (Refer note 9(b))	Deductions/ adjustments during the year	Upto 31.03.2021	
Land	419.38	(1.80)	49.75	2.02	465.31	30.44	(0.02)	8.81	-	39.23	426.08
Buildings	22.64	-	1.73	0.13	24.24	6.52	-	6.26	-	12.78	11.46
Plant and Equipment	3.03	-	0.63	0.64	3.02	1.68	-	0.99	-	2.67	0.35
Vehicles	8.46	-	0.60	1.22	7.84	2.41	-	1.82	-	4.23	3.61
Total	**453.51**	**(1.80)**	**52.71**	**4.01**	**500.41**	**41.05**	**(0.02)**	**17.88**	**-**	**58.91**	**441.50**

(a) The Company has taken several assets including land, godowns, office premises, vehicles, heavy earth moving machineries on lease.

(b) Amortisation for the year includes ₹ 7.74 crore (for the Year ended 31st March, 2021 ₹ Nil) on assets during construction period.

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
7.21% IRFC Tax Free Bonds - 26NV22	10,00,000	-	-	150	15.02
7.22% IRFC Tax Free Bonds - 30NV22	10,00,000	-	-	100	10.02
7.18% IRFC Tax Free Bonds - 19FB23	1,000	-	-	4,00,000	40.47
7.19% IRFC Tax Free Bonds - 31JL25	10,00,000	250	25.09	250	25.11
7.15% IRFC Tax Free Bonds - 21AG25	10,00,000	259	26.21	259	26.29
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	305	31.59	305	31.83
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	158.49	14,02,310	161.72
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	300	32.19	300	32.51
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	250	26.68	250	26.92
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	22.36	2,10,000	22.55
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	59.45	5,32,500	60.33
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.44	66	7.53
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.68	5,50,000	55.76
7.28% IRFC Tax Free Bonds - 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	52.12	5,11,350	52.20
3.249% IRFC 13FB30	100 USD	10,000	7.67	-	-
2.80% IRFC -10FB31	100 USD	33,000	25.06	33,000	24.30
Power Finance Corporation					
7.21% PFC Tax Free Bonds - 22NV22	10,00,000	-	-	150	15.05
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	250	25.70	250	25.89
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.78	1,000	10.92
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.64	24,000	2.68
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	32.99	300	33.35
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	102.14	8,39,928	104.45
7.05% PFC Bonds - 09AG30	10,00,000	600	59.99	600	59.99
7.04% PFC Bonds - 16DC30	10,00,000	1,500	151.08	1,500	151.16
6.88% PFC Bonds - 11AP31	10,00,000	150	14.90	150	14.89
3.35% PFC - 16MY31	100 USD	33,000	24.80	13,000	9.57
3.95% PFC - 23AP30	100 USD	30,000	22.99	30,000	22.32
4.50% PFC - 18JUN29	100 USD	20,000	16.14	20,000	15.76
National Highways Authority of India					
8.27% NHAI Tax Free Bonds - 05FB24	1,000	-	-	1,00,000	10.54
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	250	25.04	250	25.05
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	330	33.38	330	33.46
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	52.45	4,56,388	53.69
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	25.99	228	26.38
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	17.07	158	17.19
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	175.15	15,23,022	177.19
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	104.96	950	105.80
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	157.82	13,75,838	159.62

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
Housing and Urban Development Corporation Limited					
7.34% HUDCO Tax Free Bonds - 16FB23	1,000	-	-	1,50,000	15.06
7.19% HUDCO Tax Free NCD - 31JL25	10,00,000	68	6.93	68	6.96
7.07% HUDCO Tax Free NCD - 01OT25	10,00,000	250	25.11	250	25.14
7.00% HUDCO Tax Free NCD - 09OT25	10,00,000	120	12.12	120	12.15
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.20	2,80,066	28.24
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.88	37,645	3.90
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	103.70	9,70,000	104.85
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.67	1,19,000	12.77
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	4.99	44	5.06
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.31	20,000	2.34
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.36	3,00,439	31.46
India Infrastructure Finance Company Limited					
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	-	-	8,50,000	85.52
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	-	-	50,000	5.06
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	-	-	50	5.12
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	-	-	50,000	5.21
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	-	-	1,53,000	16.05
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.40	250	26.60
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.31	150	15.36
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	46.53	4,46,000	46.80
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.54	1,50,000	15.61
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	11.07	100	11.20
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.53	130	14.72
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	7.16	64	7.25
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.32	11,680	1.34
Rural Electrification Corporation					
7.22% REC Tax Free Bonds - 19DC22	1,000	-	-	50,000	5.08
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.93	45,564	4.99
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.57	1,00,000	10.65
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.17	181	20.43
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	36.20	3,22,500	36.69
7.50% REC Bonds - 28FB30	10,00,000	1,000	101.18	1,000	101.29
7.55% REC Bonds - 11MY30	10,00,000	738	74.98	738	75.08
6.80% REC NCD - 20DC30	10,00,000	250	24.92	250	24.91
3.50% REC Bonds -12DC24	100 USD	5,000	3.77	-	-
4.625% REC Bonds 22MR28	100 USD	10,000	8.14	-	-
5.25% REC Bonds- 13NV23	100 USD	-	-	10,000	8.01
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.36	150	15.45
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.82	8,68,838	87.90

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	100	10.44	100	10.54
6.39% NABARD Bonds - 19NV30	10,00,000	750	72.08	750	71.74
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	51.01	4,55,065	51.48
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	450	46.86	450	47.35
4.50% NTPC 19MR28	100 USD	10,000	8.27	-	-
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	45.64	400	46.35
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	18.27	30,000	18.66
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	41.14	67,000	42.05
Birla Corporation Limited					
9.25% BCL NCD - 18AG26	10,00,000	400	41.06	400	41.35
Housing Development Finance Corporation Limited					
7.40% HDFC NCD - 28FB30	10,00,000	350	35.44	350	35.48
7.25% HDFC NCD - 17JUN30	10,00,000	1,800	180.92	1,800	181.00
6.83% HDFC NCD - 08JN31	10,00,000	1,610	157.47	1,610	157.20
7.10% HDFC NCD - 12NV31	10,00,000	1,500	150.36	-	-
7.05% HDFC NCD - 01DC31	10,00,000	300	29.33	-	-
LIC Housing Finance Limited					
7.95% LICHF NCD - 29JN28	10,00,000	200	20.97	200	21.10
7.99% LICHF NCD - 12JL29	10,00,000	335	35.47	335	35.68
Hero FinCorp Limited					
6.95% HERO FIN CORP Bonds - 03NV25	10,00,000	500	49.81	500	49.76
Mahindra Rural Housing Finance Limited					
7.75% MRHFL NCD - 15JL25	10,00,000	500	50.91	500	51.15
Food Corporation of India					
6.65% FCI Bonds - 23OT30	10,00,000	450	43.37	450	43.24
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds - 11OT30	10,00,000	1,000	100.00	1,000	100.00
6.85% MTNL Bonds - 20DC30	10,00,000	750	73.18	750	73.01
JSW Steel Limited					
5.25% JSW Bonds - 13AP22	100 USD	-	-	10,000	7.50
5.95% JSW Bonds - 18AP24	100 USD	10,000	7.97	10,000	7.96
Egypt, Arab Republic of (Government)					
5.25% ECGV Bonds - 06OT25	100 USD	15,000	11.92	15,000	11.70
China Water Affairs Group Ltd.					
4.85% CWA 18MY26	100 USD	10,000	7.36	-	-
Export Import Bank of India					
2.25% EIBI 13JN31	100 USD	30,000	21.29	-	-
3.25% EIBI 15JN30	100 USD	20,000	15.57	-	-

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022 No.	As at 31.03.2022 Amount	As at 31.03.2021 No.	As at 31.03.2021 Amount
HPCL Mittal Energy					
5.45% HME 22OT26	100 USD	20,000	15.34	-	-
5.25% HME 28AP27	100 USD	15,000	11.89	-	-
Oil India Limited					
5.125% OIL 04FB29	100 USD	68,000	57.83	-	-
Oman Sultanate of (Government)					
4.875% OGB 01FB25	100 USD	5,000	3.95	-	-
Oman Sovereign SUKUK					
4.875% OSK 15JUN30	100 USD	10,000	7.71	-	-
ONGC Videsh Vankorneft Pte. Ltd					
3.75% OVPL 27JL26	100 USD	20,000	15.06	-	-
Periama Holdings LLC -JSTL					
5.95% PHJL 19AP26	100 USD	5,000	3.98	-	-
QNB Finansbank A.S.					
6.875% QFAS 07SP24	100 USD	10,000	8.03	-	-
TC Ziraat Banakasi A.S.					
5.375% TCZ 02MR26	100 USD	10,000	7.52	-	-
Ultratech Cement Limited					
2.80% UCL 16FB31	100 USD	40,000	29.87	-	-
Vedanta Resources Limited					
7.125% VED 31MY23	100 USD	20,000	14.74	-	-
Total (A)			**3,878.37**		**3,699.19**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Perpetual Bonds					
7.72% State Bank of India Non Convertible Perpetual Bond	1,00,00,000	311	311.00	-	-
7.95% Bank of Baroda Non Convertible Perpetual Bond	1,00,00,000	200	200.96	-	-
7.55% State Bank of India Non Convertible Perpetual Bond	1,00,00,000	150	148.69	-	-
3.70% HDFC Bond	100 USD	9,500	6.68	-	-
5.88% HSBC Bond	100 GBP	10,000	10.05	-	-
5.50% SMC Bond	100 USD	10,000	7.42	-	-
Structured Equity Instrument					
6% Credit Suisse Auto callable RC on Equities	100 USD	5,000	3.34	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 10.3)					
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 5th October, 2022	7,500	-	-	13,500	-

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
L&T Finance Holdings Limited					
7.50% Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par as at 22nd December 2023	100	-	-	20,00,000	19.23
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	1,00,00,000	11.64	1,00,00,000	11.08
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	158.89	14,99,92,500	149.99
SBI FMP- Series 44 (1855 Days) Direct Growth	10	5,99,97,000	62.76	-	-
SBI FMP- Series 51 (1846 Days) Direct Growth	10	5,99,97,000	61.19	-	-
SBI FMP- Series 53 (1839 Days) Direct Growth	10	5,99,97,000	61.00	-	-
SBI FMP- Series 60 (1878 Days) Direct Growth	10	4,99,97,500	50.32	-	-
SBI FMP- Series 58 (1842 Days) Direct Growth	10	3,99,98,000	40.60	-	-
SBI FMP- Series 57 (1835 Days) Direct Growth	10	3,99,98,000	40.30	-	-
SBI FMP- Series 55 (1849 Days) Direct Growth	10	2,99,98,500	30.40	-	-
SBI FMP- Series 61 (1927 Days) Direct Growth	10	2,99,98,500	30.27	-	-
ABSL FTP Series TI (1837 Days) - Direct Growth	10	3,99,98,000	41.69	-	-
ABSL FTP Series TQ (1879 Days) - Direct Growth	10	1,99,99,000	20.07	-	-
Nippon India Fixed Horizon Fund - XLiii - Series 1 - Direct Growth	10	4,49,97,750	46.32	-	-
Kotak FMP Series 292 Direct Growth	10	6,99,96,500	72.26	-	-
HDFC FMP 1861D March 2022 - Series 46- Direct - Growth	10	2,99,98,500	30.30	-	-
Newport Global Fund SPC-Class7H-B	1USD	7,41,987	5.56	-	-
Exchange Traded Fund					
Bharat Bond ETF - April 2023 - Growth	1,000	-	-	12,50,000	139.63
Bharat Bond ETF - April 2031 - Growth	1,000	-	-	39,99,800	407.30
Nippon India ETF Nifty CPSE Bond Plus SDL 2024 Maturity	100	-	-	97,82,600	100.78
STRIPS (Separate Trading of Registered Interest and Principal Securities) issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	7.61	10,59,600	7.20
CSTRIP GS 12-DEC-2027C	100	10,59,600	7.30	10,59,600	6.91
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	67.48	1,00,00,000	63.87
CSTRIP GS 12-JUN-2028C	100	10,59,600	7.01	10,59,600	6.64
CSTRIP GS 12-DEC-2028C	100	10,59,600	6.75	10,59,600	6.40
CSTRIP GS 12-JUN-2029C	100	10,59,600	6.50	10,59,600	6.21
UNQUOTED					
Preference Shares					
Tata Capital Limited					
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. 27th July, 2024	1,000	7,50,000	73.61	7,50,000	74.60
Total (B)			**1,627.97**		**999.84**

Notes Forming Part of Consolidated Financial Statements

10. NON-CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
Investments at Cost (C)					
UNQUOTED					
Subsidiaries					
Fully Paid Equity shares					
Shree Cement East Bengal Foundation (Refer Note 10.4)	10	26,000	-	26,000	-
Total (C)			**-**		**-**
TOTAL (A+B+C)			**5,506.34**		**4,699.03**

*Except otherwise stated.

10.1 Aggregate Carrying Amount and Market Value of Quoted Investments:

₹ in Crore

	As at 31.03.2022		As at 31.03.2021	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
Quoted Investments	5,432.73	5,550.93	4,624.43	4,809.75
Total	**5,432.73**	**5,550.93**	**4,624.43**	**4,809.75**
10.2 Aggregate Carrying Amount of Unquoted Investments	**73.61**		**74.60**	

10.3 In August, 2018 credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as “IL&FS Group”) credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

10.4 The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation (‘SCEBF’), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -’Consolidated Financial Statements’ and hence, not consolidated in the Consolidated Financial Statements.

11. FINANCIAL ASSETS - LOANS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Loans to Staff and Workers	4.35	4.46	4.59	4.48
Loans to Subsidiary (Refer Note 10.4 and Note 42)	-	-	20.75	16.75
	4.35	**4.46**	**25.34**	**21.23**

Notes Forming Part of Consolidated Financial Statements

12. FINANCIAL ASSETS - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Derivative Financial Instruments	47.53	50.59	18.55	10.44
Security Deposits (Refer Note 42)	69.23	57.68	9.96	4.00
Fixed Deposits with Banks (maturity more than 12 months)	18.60	18.69	-	-
Interest Accrued on Bonds, Debentures, Deposits and Loans (Refer Note 42)	-	-	155.45	138.24
Others	2.17	3.11	52.31	38.93
	137.53	**130.07**	**236.27**	**191.61**

13. DEFERRED TAX ASSETS (NET)

₹ in Crore

	As at 31.03.2021	Recognised in Profit or Loss	Recognised in Profit or Loss (related to earlier years)	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2022
Deferred Tax Assets:						
Arising on account of:						
Long-term and Short-term Capital Losses	25.17	(14.93)	-	-	-	10.24
Expenses allowed for tax purpose when paid	206.15	(14.00)	-	-	-	192.15
Depreciation and Amortization	525.93	(32.27)	-	-	-	493.66
Cash Flow Hedges	17.89	-	-	(7.05)	(2.82)	8.02
MAT Credit Entitlement	1.43	(4.82)	10.00	-	-	6.61
Fair Value of Investments	36.11	(19.63)	-	-	-	16.48
Others	0.79	2.08	-	-	-	2.87
Deferred Tax Liabilities:						
Arising on account of:						
Fair Value of Investments	23.37	25.37	-	-	-	48.74
Others	4.02	2.87	-	0.01	-	6.90
Net Deferred Tax Assets/ (Liabilities)	**786.08**	**(111.81)**	**10.00**	**(7.06)**	**(2.82)**	**674.39**

₹ in Crore

Particulars	As at 31.03.2020	Recognised in Profit or Loss	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2021
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	4.09	21.08	-	-	25.17
Expenses allowed for tax purpose when paid	204.15	2.00	-	-	206.15
Depreciation and Amortization	487.46	38.47	-	-	525.93
Cash Flow Hedges	15.93	-	6.03	(4.07)	17.89
MAT Credit Entitlement	-	1.43	-	-	1.43
Fair Value of Investments	58.91	(22.80)	-	-	36.11
Others	0.65	0.14	-	-	0.79

Notes Forming Part of Consolidated Financial Statements

13. DEFERRED TAX ASSETS (NET) (CONTD.)

₹ in Crore

Particulars	As at 31.03.2020	Recognised in Profit or Loss	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2021
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	23.27	0.10	-	-	23.37
Others	4.14	(0.12)	-	-	4.02
Net Deferred Tax Assets/ (Liabilities)	**743.78**	**40.34**	**6.03**	**(4.07)**	**786.08**

₹ in Crore

Particulars	As at 31.03.2020	Recognised in Profit or Loss	Recognised in OCI	Recognised Directly in Equity	As at 31.03.2021
Deferred Tax Liabilities:					
Arising on account of:					
Depreciation and Amortization	0.18	(0.18)	-	-	-
Deferred Tax Assets:					
Arising on account of:					
MAT Credit Entitlement	0.01	(0.01)	-	-	-
Net Deferred Tax Liabilities / (Assets)					
	0.17	**(0.17)**	**-**	**-**	**-**

14. OTHER ASSETS

₹ in Crore

Particulars	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	1.40	2.62
Advances to Suppliers and Contractors	-	-	114.09	90.79
Capital Advances	493.27	315.90	-	-
Assets Held for Disposal	-	-	0.08	0.08
Prepaid Expenses	2.98	3.97	11.62	11.85
Other Receivables	96.58	71.51	980.27	964.18
	592.83	**391.38**	**1,107.46**	**1,069.52**

14.1 Other receivables includes GST, Government grants and other dues from Government etc.

15. INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Raw Materials [Includes in transit ₹ 3.09 crore (As at 31st March, 2021: ₹ 14.41 crore)]	74.84	87.46
Fuel [Includes in transit ₹ 658.19 crore (As at 31st March, 2021: ₹ 449.82 crore)]	1,151.52	642.40
Stores and Spares	759.01	683.26
Packing Materials	76.97	49.10
Stock-in-Trade	0.01	-
Work-in-Progress [Includes in transit ₹ 24.45 crore (As at 31st March, 2021: ₹ 22.91 crore)]	332.71	170.06
Finished Goods [Includes in transit ₹ 20.72 crore (As at 31st March, 2021: ₹ 17.37 crore)]	101.96	83.44
	2,497.02	**1,715.72**

Notes Forming Part of Consolidated Financial Statements

16. CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	-	-	200	20.07
Housing and Urban Development Corporation Limited					
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	-	-	10,08,424	102.09
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	-	-	4,38,951	44.05
JSW Steel Limited					
5.25% JSW Bonds- 13AP22	100 USD	10,000	7.59	-	-
Turkiye Vakiflar Bankasi T.A.O.					
5.75% TVBT 30JN23	100 USD	10,000	7.68	-	-
Huarong Leasing Management Hong Kong Company Limited					
1.90% HLM Bonds - 12JN22	100 USD	-	-	30,000	22.14
Total (A)			**15.27**		**188.35**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	-	-	3,50,00,000	44.25
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	-	-	7,50,00,000	95.10
ABSL Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	-	-	10,00,00,000	126.50
Kotak FMP Series 216 Direct - Growth	10	-	-	3,00,00,000	38.28
SBI Arbitrage Opportunities Fund - Direct Plan-Growth	10	-	-	3,59,47,544	98.05
ABSL Arbitrage Fund - Growth Direct Plan	10	-	-	11,30,09,186	246.15
HDFC Arbitrage Fund - WP-DP-Growth	10	-	-	11,23,81,015	173.42
UTI Arbitrage Fund - Direct Growth Plan	10	-	-	3,49,16,053	99.35
IDFC Arbitrage Fund - Growth (Direct Plan)	10	-	-	15,12,00,057	404.61
Axis Arbitrage Fund - Direct Growth (EA-DG)	10	-	-	10,96,05,472	169.26
Kotak Overnight Fund Direct - Growth	1000	-	-	4,09,883	45.00
ABSL Overnight Fund Direct - Growth	1000	-	-	2,69,688	30.01
ICICI Prudential Overnight Fund DP Growth	100	12,09,168	13.86	45,05,485	50.00
Axis Overnight Fund DP Growth	1000	-	-	3,67,852	40.02
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	2,72,73,781	86.37	20,77,11,465	628.97
ICICI Prudential Equity Arbitrage Fund - Direct Growth	10	3,26,55,614	95.65	20,99,60,326	588.98
Nippon India Arbitrage Fund - Direct Growth Plan	10	3,39,99,442	77.61	22,16,66,710	483.83

Notes Forming Part of Consolidated Financial Statements

16. CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
Nippon India Dynaminc Bond Fund - Direct Growth Plan	10	8,28,06,868	262.81	8,28,06,868	251.34
ABSL Nifty SDL Apr 2027 Index Fund Direct Growth	10	11,93,21,791	120.79	-	-
ABSL CRISIL SDL Plus AAA PSU Apr 2027 60:40 Index Fund Direct Growth	10	5,99,97,000	60.04	-	-
ABSL Nifty SDL Plus PSU Bond - Sep 2026 60:40 Index Fund Direct Growth	10	27,13,03,485	276.09	-	-
DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund-Dir-Growth	10	1,99,76,826	20.03	-	-
ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10	4,98,46,266	50.05	-	-
ICICI Prudential PSU Bond plus SDL 40:60 Index Fund Sep 2027 Direct Plan Growth	10	19,70,92,310	200.53	-	-
Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	4,99,97,500	50.21	-	-
Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund Direct Plan - Growth	10	1,99,99,000	20.06	-	-
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	10	2,99,98,500	30.11	-	-
SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Direct Growth	10	14,99,92,500	151.87	-	-
Edelweiss Nifty PSU Bond Plus SDL Index Fund - 2027 - Direct Plan Growth	10	4,94,41,775	50.46	-	-
Edelweiss Nifty PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	19,24,13,366	206.66	-	-
Axis Crisil SDL 2027 Debt Index Fund Direct Growth (CRDGG)	10	3,00,33,339	30.06	-	-
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund Direct Plan Growth	10	14,99,92,500	149.99	-	-
HDFC Overnight Fund-Direct Plan-Growth	10	20,797	6.62	-	-
HDFC Liquid-DP-Growth Option (₹ 10,175 as on 31st March, 2022)	10	2	-	-	-
Newport Global Fund SPC-Class7H-B	1USD	7,41,987	5.56	-	-
In Exchange Traded Funds					
Bharat Bond ETF- April 2023 - Growth	1000	12,50,000	146.30	-	-
Bharat Bond ETF- April 2031 - Growth	1000	39,99,800	430.63	-	-
Bharat Bond ETF- April 2030 - Growth	1000	34,70,114	417.48	-	-
Bharat Bond ETF- April 2032 - Growth	1000	19,99,900	202.02	-	-
Nippon India ETF Nifty CPSE Bond Plus SDL - 2024	100	97,82,600	106.01	-	-
Nippon India ETF Nifty SDL - 2026	100	2,25,00,000	243.16	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 10.3)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 25th March, 2021	7,500	28,000	-	28,000	-

Notes Forming Part of Consolidated Financial Statements

16. CURRENT INVESTMENTS (CONTD.)

₹ in Crore

Particulars	Face Value (in ₹*)	As at 31.03.2022		As at 31.03.2021	
		No.	Amount	No.	Amount
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. 16th May, 2021	7,500	52,000	-	52,000	-
IL&FS Financial Services Ltd. (Refer Note 10.3)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. 30th March, 2021	7,500	33,400	-	33,400	-
Total (B)			**3,511.03**		**3,613.12**
TOTAL (A+B)			**3,526.30**		**3,801.47**

*Except otherwise stated.

16.1 Aggregate Carrying Amount and Market Value of Quoted Investments :

₹ in Crore

	As at 31.03.2022		As at 31.03.2021	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
Quoted Investments	3,526.30	3,526.21	3,801.47	3,805.04
Total	**3,526.30**	**3,526.21**	**3,801.47**	**3,805.04**

16.2 Aggregate Carrying Amount of Unquoted Investments	-		-	

17. TRADE RECEIVABLES

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Secured, Considered Good	525.08	454.03
Unsecured		
Considered Good (Refer Note 17.1)	263.21	225.40
Which have Significant Increase in Credit Risk	40.47	33.37
	828.76	**712.80**
Less: Allowance for Trade Receivables Which have Significant Increase in Credit Risk	40.47	33.37
	788.29	**679.43**

17.1 Undated cheques of ₹ 69.52 crore (as at 31st March, 2021: ₹ 82.64 crore) are held against receivables considered good.

17.2 Refer Note 48 for information about credit risk and market risk of trade receivables.

17.3 The average payment terms with customers within India is generally below 45 days and outside India is 120 days for cement and for clinker against site LC.

Notes Forming Part of Consolidated Financial Statements

18. CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Balances with Banks	111.81	432.55
Cash on Hand	1.36	1.02
Call Deposits with Banks	14.53	0.61
Fixed Deposits with Banks Having Original Maturity upto 3 Months	20.86	37.96
	148.56	**472.14**

19. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Earmarked Balance with Banks for Unpaid Dividend (Refer note 23.1)	4.04	4.09
Balances in Escrow Account (Refer note 19.1)	29.93	-
Margin Money (Pledged with Banks) (Refer note 19.2)	55.51	52.72
Fixed Deposits With Banks (Refer note 19.3)	70.21	198.09
Less: Fixed Deposits Maturity more than 12 months Disclosed Under Other Non-Current Financial Assets (Refer note 12)	(18.60)	(18.69)
	141.09	**236.21**

19.1 Amout paid for acquisition of balance 40% equity of Union Cement Norcem Company Limited LLC (Indirect Subsidiary of the Company). (Refer note 3)

19.2 Includes deposits of ₹ 41.28 crore (As at 31st March, 2021: ₹ 39.01 crore) are pledged with banks against overdraft facilities. (Refer Note 25.2)

19.3 Includes ₹ 69.18 crore (As at 31st March, 2021: ₹ 67.53 crore), given as security to Government department and others.

20. SHARE CAPITAL

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Authorised		
6,00,00,000 (As at 31st March, 2021: 6,00,00,000) Equity Shares of ₹ 10/- each	60.00	60.00
15,00,000 (As at 31st March, 2021: 15,00,000) Cumulative Preference Shares of ₹ 100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at 31st March, 2021: 3,60,80,748) Equity Shares of ₹ 10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

Notes Forming Part of Consolidated Financial Statements

20. SHARE CAPITAL (CONTD.)

20.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31.03.2022		As at 31.03.2021	
	Number of Shares Held	% of Total Paid-up Equity Share Capital	Number of Shares Held	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

20.2 Shares held by promoters as on 31st March, 2022 are as follows:

Promoters Name	No. of Shares	% of total shares	% change during the year
Promoters			
Harimohan Bangur	4,88,284	1.353%	0.028%
Prashant Bangur	3,89,750	1.080%	-
Benu Gopal Bangur	-	-	-0.028%
Promoters Group			
Rajkamal Devi Bangur	1,26,100	0.349%	-
Ranu Bangur	67,700	0.188%	-
Riya Puja Jain	2,050	0.006%	-
Padma Devi Maheshwari	600	0.002%	-
Shree Capital Services Ltd.	89,84,155	24.900%	-
Digvijay Finlease Ltd.	42,34,780	11.737%	-
Mannakrishna Investments Pvt. Ltd.	20,42,824	5.662%	-
Newa Investments Pvt. Ltd.	13,76,270	3.814%	-
Ragini Finance Ltd.	12,68,882	3.517%	-
Didu Investments Pvt. Ltd.	11,70,909	3.245%	-
N.B.I. Industrial Finance Company Ltd.	8,49,450	2.354%	-
The Venktesh Co. Ltd.	4,60,030	1.275%	-
Rajesh Vanijya Pvt. Ltd.	3,69,226	1.023%	-
The Didwana Investment Company Ltd.	3,27,400	0.907%	-
Asish Creations Private Ltd.	2,10,737	0.584%	-
Western India Commercial Co. Ltd.	2,00,650	0.556%	-
Total	**2,25,69,797**	**62.55%**	**-**

20.3 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

20.4 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes Forming Part of Consolidated Financial Statements

20. SHARE CAPITAL (CONTD.)

20.5 Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	Numbers	₹ in crore
Equity shares outstanding as at 01st April, 2020	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2021	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2022	**3,60,80,748**	**36.08**

	As at 31.03.2022	As at 31.03.2021
20.6 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date.	Nil	Nil

20.7 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

21. OTHER EQUITY

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Capital Redemption Reserve	15.00	15.00
Capital Reserve	10.84	10.84
Securities Premium	2,408.63	2,408.63
Statutory Reserve	5.20	5.20
General Reserve	7,000.00	6,500.00
Retained Earnings	7,781.02	6,322.68
Foreign Currency Translation Reserve	218.42	134.31
Effective Portion of Cash Flow Hedges	(14.91)	(35.33)
	17,424.20	**15,361.33**

21.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

22. BORROWINGS

₹ in Crore

	Non-Current Portion		Current Maturities	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Secured				
External Commercial Borrowings	976.06	1,331.55	395.35	293.60
Indian Rupee Term Loans from Banks	322.28	-	-	-
	1,298.34	**1,331.55**	**395.35**	**293.60**
Amount disclosed under the head Current Borrowings (Refer Note 25)	-	-	(395.35)	(293.60)
	1,298.34	**1,331.55**	**-**	**-**

Notes Forming Part of Consolidated Financial Statements

22. BORROWINGS (CONTD.)

22.1 Nature of securities and terms of repayment of each loan:

₹ in Crore

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31.03.2022	Loan Amount as at 31.03.2021	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on ₹ including the effect of related cross currency and interest rate swaps)	630.00	813.79	Repayable in 6 half yearly equal instalments of USD 1.389 crore w.e.f. 28.09.2022
		3 Months USD LIBOR+0.71% (Fixed rate of 7.82% on ₹ including the effect of related cross currency and interest rate swaps)	302.18	328.98	Repayable in 4 half yearly instalments w.e.f. 27.09.2022 (First two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)
		2.72% on SGD (Fixed rate of 7.96% on ₹ including the effect of related cross currency and interest rate swaps [USD to INR])	439.23	482.38	Repayable in 4 half yearly instalments w.e.f. 27.09.2022 First two instalments of SGD 0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each)
	Indian Rupee Term Loans from Banks				
2	Hypothecation (First Pari Passu Charge) on all moveable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	3 Months T-Bill rate +1.20%	322.28	-	Repayable in 4 equal annual installments w.e.f. 11.12.2023
	TOTAL		**1,693.69**	**1,625.15**	
	Less: Current Maturities of Long Term Debt		395.35	293.60	
	Total Non-Current Portion		**1,298.34**	**1,331.55**	

There is no default in repayment of principal and interest thereon.

Notes Forming Part of Consolidated Financial Statements

23. FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not Due on Borrowings	-	-	0.34	0.24
Derivative Financial Instruments	20.28	71.97	15.16	18.68
Unpaid Dividends (Refer Note 23.1)	-	-	13.76	14.13
Security Deposits from Customers, Vendors & Others	115.87	102.31	839.96	785.07
Payable for Capital Goods	-	-	131.89	70.61
Others (Refer Note 23.2)	-	-	390.66	365.59
	136.15	**174.28**	**1,391.77**	**1,254.32**

23.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at 31st March, 2022 and 31st March, 2021. (Refer note 19)

23.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

24. PROVISIONS

₹ in Crore

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits				
Gratuity [Refer note 39 (b)]	-	-	0.81	0.56
End of Service Benefits [Refer Note 39 (b)]	17.96	21.20	-	-
Other Staff Benefit Schemes	3.65	2.88	7.07	7.22
Other Provisions				
Mines Reclamation Expenses (Refer Note 40)	8.13	7.67	0.53	0.52
	29.74	**31.75**	**8.41**	**8.30**

25. CURRENT BORROWINGS

₹ in Crore

	As at 31.03.2022	As at 31.03.2021
Secured		
Loans Repayable on Demand from Banks (Refer Note 25.1)	299.64	289.61
Bank Overdraft (Refer Note 25.2)	20.85	20.15
Current Maturities of Long-Term Debt	395.35	293.60
Unsecured		
Commercial Papers	-	198.94
	715.84	**802.30**

25.1 Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

25.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 19.2)

Notes Forming Part of Consolidated Financial Statements

25. CURRENT BORROWINGS (CONTD.)

25.3 There is no default in repayment of principal and interest thereon.

25.4 Quarterly returns/ statements of current assets filed by the Company with banks/ financial institutions are in agreement with the books of accounts.

26. OTHER LIABILITIES

₹ in Crore

	Current	
	As at 31.03.2022	**As at 31.03.2021**
Customers Advances (Refer Note 26.1)	236.74	210.34
Withholding and Other Taxes Payable	248.09	286.27
Provident Fund and Superannuation Payable	16.02	16.72
Other Statutory Liabilities	837.62	901.68
	1,338.47	**1,415.01**

26.1 Revenue of ₹ 199.02 crore (for the year ended 31st March, 2021: ₹ 197.14 crore) is recognised during current year that was included in customer advances outstanding at the beginning of the year.

27. REVENUE FROM OPERATIONS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Sale of Products and Services		
Cement	13,417.89	12,380.79
Clinker	656.04	636.88
Power Sales	399.82	105.98
Services	4.80	2.68
Traded Goods and Others	106.84	50.96
	14,585.39	**13,177.29**
Other Operating Revenue		
Incentives and Subsidies (Under Various Incentive Schemes of State and Central Government)	173.05	255.91
Scrap Sales	40.51	35.07
Provision No Longer Required	88.24	19.44
Balances Written Back	12.84	8.63
Insurance Claims	10.92	6.27
Others	98.61	57.16
	424.17	**382.48**
	15,009.56	**13,559.77**

27.1 Sale of Products is net of ₹ 966.44 crore (for the year ended 31st March, 2021: ₹ 815.70 crore) on account of cash discount, rebates and incentives given to customers.

Notes Forming Part of Consolidated Financial Statements

28. OTHER INCOME

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest Income		
On Deposits Classified at Amortised Cost	9.92	17.66
On Bonds and Debentures Classified at Amortised Cost	234.75	205.47
On Bonds and Debentures Classified at Fair Value Through Profit or Loss	16.36	-
On Tax Refund	53.57	6.03
Others	1.13	0.78
Dividend Income on Investments Classified at Fair Value through Profit or Loss	6.32	9.16
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	13.26	23.70
Classified at Fair Value through Profit or Loss	89.27	11.43
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	114.74	156.59
Profit on Sale of Property, Plant and Equipment (Net)	5.46	4.37
Loss on Sale of Precious Metals	(0.06)	-
Other Miscellaneous Income	1.17	3.07
	545.89	**438.26**

29. COST OF MATERIALS CONSUMED

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Raw Materials Consumed		
Gypsum	197.97	214.41
Fly Ash	349.32	297.07
Red Ochre and Slag	101.71	124.13
Sulphuric Acid	79.37	46.37
Others	401.52	294.39
	1,129.89	**976.37**

30. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK- IN-TRADE AND WORK-IN-PROGRESS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Closing Stock		
Work-in-Progress	332.71	170.06
Finished Goods	101.96	83.44
Stock-in-Trade	0.01	-
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	(1.85)	(2.07)
	432.83	**251.43**
Opening Stock		
Work-in-Progress	170.06	196.01
Finished Goods	83.44	108.65
Stock-in-Trade	-	-
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	0.12	(3.63)
	253.62	**301.03**
(Increase) / Decrease	**(179.21)**	**49.60**

Notes Forming Part of Consolidated Financial Statements

31. EMPLOYEE BENEFITS EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Salaries, Wages and Bonus (Refer note 39)	798.65	762.73
Contribution to Provident and other Funds (Refer note 39)	93.85	89.34
Staff Welfare Expenses	20.96	17.15
	913.46	**869.22**

32. FREIGHT AND FORWARDING EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
On Finished Products	2,469.07	2,294.31
On Inter Unit Clinker Transfer	829.89	815.88
	3,298.96	**3,110.19**

33. FINANCE COSTS

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest Expenses at Amortised Cost	207.93	242.51
Bank and Others Finance Charges	3.52	2.33
Interest Expenses on Lease Liabilities	7.81	5.87
Unwinding of Discount on Provision	0.57	0.58
	219.83	**251.29**
Less: Interest Capitalised (Refer Note 33.1)	3.71	-
	216.12	**251.29**

33.1 During the year ended 31st March, 2022, borrowing costs are capitalised using interest rate ranging between 4.70% to 6.00% per annum.

34. OTHER EXPENSES

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Stores and Spares Consumed	449.88	317.72
Packing Materials Consumed	564.39	429.91
Royalty and Cess	295.00	287.47
Mines Reclamation Expenses	0.79	0.61
Repairs to Plant and Machinery	357.82	269.35
Repairs to Buildings	35.21	29.42
Insurance	16.37	14.63
Rates and Taxes	27.64	58.94
Travelling	34.48	32.43
Commission to Non-executive Directors	2.17	2.31
Directors' Sitting Fees and Expenses	0.88	2.35
Advertisement and Publicity	142.93	133.34

Notes Forming Part of Consolidated Financial Statements

34. OTHER EXPENSES (CONTD.)

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Sales Promotion and Other Selling Expenses	252.80	182.10
Foreign Exchange Rate Differences (Net)	(2.62)	0.26
Corporate Social Responsibility Expenses (Refer Note 34.1)	57.62	45.73
Assets Written Off	0.40	0.65
Bad Debts Written Off	0.05	-
Allowance for Doubtful Trade Receivables (Net)	5.99	20.65
Contribution to Electrol Bond /Political Parties	2.00	12.00
Miscellaneous (Refer Note 34.2)	215.32	208.78
	2,459.12	**2,048.65**

34.1 Details of Corporate Social Responsibility Expenses

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended 31st March, 2022 is ₹ 53.09 crore (for the year ended 31st March, 2021: ₹ 44.84 crore).

(b) The Company has spent ₹ 57.62 crore (for the year ended 31st March, 2021 : ₹ 45.73 crore) on the various Corporate Social Responsibility Activities. There is excess CSR expenses of ₹ 5.42 crore as on 31st March, 2022.

(c) The projects/activities undertaken by the Company in the field of Corporate Social Responsibility fall within the broad framework of schedule VII to the Companies Act, 2013 which interalia include education, healthcare, sustainable livlihood, woman empowerment, rural and infrastructure development, environment protection, support widows/dependents of martyrs of arm forces and promotion of art & culture, epitomising a holistic approach to inclusive growth.

(d) Refer Note 42 for related party transactions in relation to Corporate Social Responsibility expenses.

34.2 Miscellaneous Expenses include the payments made to Auditors:

₹ in Crore

	For the year ended 31.03.2022	For the year ended 31.03.2021
Statutory Auditors		
Audit Fees	0.86	0.87
Tax Audit Fees ₹ 15,000 (for the year ended 31st March, 2021: ₹ 15,000) for a Subsidiary Company	-	-
Certification / Other Services	0.12	0.12
Reimbursement of Expenses (₹ 41,250 for the year ended 31st March, 2021)	0.05	-
Cost Auditors		
Audit Fees	0.06	0.05
Certification / Other Services	-	-
Reimbursement of Expenses (₹ 12,717 for the year ended 31st March, 2022)	-	-

Notes Forming Part of Consolidated Financial Statements

35. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹ 71.78 crore (As at 31st March, 2021: ₹ 69.35 crore).

b. Service Tax and Education Cess (including interest) ₹ 1.35 crore (as at 31st March, 2021: ₹ 1.25 crore).

c. (i) Competition Commission of India (CCI), vide its order dated 31st August, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of provisions of the Competition Act, 2002. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7th November, 2016, granted stay on CCI's order subject to deposition of 10% of penalty amount and payment of balance amount of penalty with interest @ 12% per annum from the date of CCI's order if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

(ii) In another matter, CCI vide its order dated 19th January, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

(iii) Competition Commission of India (CCI), vide its order dated 31st August, 2016 imposed a penalty of Rs. 397.51 crore on the Company for alleged violation of provisions of the Competition Act, 2002. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated 7th November, 2016, granted stay on CCI's order subject to deposition of 10% of penalty amount and payment of balance amount of penalty with interest @ 12% per annum from the date of CCI's order if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

d. The Divisional Bench of Hon'ble Rajasthan High Court vide Judgement dated 6th December, 2016 has allowed the appeal filed by Commercial Taxes Department / Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹ 37.84 crore received and ₹ 317.54 crore not received though accounted for.

36. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 1,562.04 crore (As at 31st March, 2021: ₹ 793.36 crore).

Notes Forming Part of Consolidated Financial Statements

37. CAPITAL WORK-IN-PROGRESS ("CWIP")

a. Capital work-in-progress includes directly attributable expenses of ₹ 94.99 crore (As at 31st March, 2021: ₹ 73.62 crore) which includes depreciation of ₹ 26.19 crore (for the year ended 31st March, 2021: ₹ 8.10 crore) on assets during construction period.

b. Movement in CWIP Balances is as follows:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	996.54	1,196.72
Add: Additions in CWIP during the year	1,785.00	888.66
Less: Capitalized to Property, Plant and Equipment during the year	(1,728.54)	(1,085.42)
Add/(Less): Effect of Foreign Currency Translation	0.52	(3.42)
Closing Balance	**1,053.52**	**996.54**

c. Ageing of Capital Work-in-progress is as follows:

₹ in Crore

As at 31st March, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	847.42	135.57	64.20	6.33	1,053.52
Projects temporarily suspended	-	-	-	-	-

₹ in Crore

As at 31st March, 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	569.59	408.34	17.77	0.84	996.54
Projects temporarily suspended	-	-	-	-	-

d. There is no project in capital work-in-progress as on 31st March, 2022 which has been delayed from original plan, however there was one project amounting to ₹ 443.39 crores which was delayed due to COVID-19 pandemic and right of way issues as on 31st March, 2021 from original plan and has been capitalized during current financial year.

38. EXPENDITURE ON RESEARCH AND DEVELOPMENT:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Capital	2.56	6.32
Revenue	22.29	21.54
Total	**24.85**	**27.86**

Notes Forming Part of Consolidated Financial Statements

39. EMPLOYEE BENEFITS: (Refer Note 31)

(a) Contribution to defined contribution plans recognized as expenses are as under:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Superannuation Fund	9.57	8.68
Provident Fund (Includes contribution to PF trust ₹ 6.15 crore (₹ 5.61 crore for the year ended 31st March, 2021))	57.65	55.14
National Pension Scheme	4.68	3.48
Retirement Pension and Social Security Scheme	2.43	2.48
ESIC	0.29	0.26
Total	**74.62**	**70.04**

(b) Defined Benefit Plan

(i) **Gratuity -** The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India. The scheme is unfunded for some subsidiary companies.

(ii) **End of Service Benefit-** End of service benefit is payable to Non UAE National employees (in subsidiary companies based in UAE) based on the employee' service and last drawn salary at the time of leaving the services of the Group and in accordance with the rule of the Group for payment of end of service benefit. The scheme is unfunded.

Disclosure for defined benefit plans based on actuarial reports:

₹ in Crore

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	End of Service Benefit (Unfunded)	
	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2022	For the year ended 31.03.2022	For the year ended 31.03.2021
Changes in Defined Benefit Obligations:					
Present value of defined benefit obligations at the beginning of the year	286.19	264.63	0.08	21.20	25.96
Current service cost	26.16	24.29	0.05	2.10	2.84
Past service cost	-	-	-	(3.50)	-
Interest cost	18.29	18.10	0.01	0.62	0.61
Re-measurements (gains)/losses	0.81	(12.33)	(0.06)	(1.77)	(1.87)
Benefits paid	(9.67)	(8.50)	(0.01)	(1.29)	(5.71)
Foreign currency translation	-	-	-	0.60	(0.63)
Present Value of Defined Benefit Obligations at the end of the year	**321.78**	**286.19**	**0.07**	**17.96**	**21.20**
Change in Plan Assets:					
Fair value of plan assets at the beginning of the year	285.63	264.36	-	-	-
Expected return on plan assets	18.95	18.51	-	-	-
Re-measurements gains/(losses)	4.80	(1.19)	-	-	-
Contribution by employer	21.33	12.45	0.01	1.29	5.71
Benefits paid	(9.67)	(8.50)	(0.01)	(1.29)	(5.71)
Fair Value of Plan Assets at the end of the year	**321.04**	**285.63**	**-**	**-**	**-**

Notes Forming Part of Consolidated Financial Statements

39. EMPLOYEE BENEFITS: (Refer Note 31) (CONTD.)

₹ in Crore

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	End of Service Benefit (Unfunded)	
	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2022	For the year ended 31.03.2022	For the year ended 31.03.2021
Expenses Recognized in the Statement of Profit and Loss					
Current service cost	26.16	24.29	0.05	2.10	2.84
Past service cost	-	-	-	(3.50)	-
Interest cost	18.29	18.10	0.01	0.62	0.61
Expected return on plan assets	(18.95)	(18.51)	-	-	-
Expenses Recognized in the Statement of Profit and Loss	**25.50**	**23.88**	**0.06**	**(0.78)**	**3.45**
Expenses recognized in Other Comprehensive Income (OCI)					
Return on plan assets (excluding amount included in net Interest expense)	(4.80)	1.19	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA	-	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	1.22	4.90	-	(1.10)	(5.05)
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(0.41)	(17.23)	(0.06)	(0.67)	3.18
Total recognized in Other Comprehensive Income	**(3.99)**	**(11.14)**	**(0.06)**	**(1.77)**	**(1.87)**
Total recognized in Total Comprehensive Income	**21.51**	**12.74**	**-**	**(2.55)**	**1.58**
Amount recognized in the Balance Sheet consists of					
Present Value of Defined Benefit Obligations	321.78	286.19	0.07	17.96	21.20
Fair Value of Plan Assets	321.04	285.63	-	-	-
Net Liability	0.74	0.56	0.07	17.96	21.20
The Major Categories of Plan Assets as a % of Total Plan					
Qualifying Insurance Policy	100%	100%	NA	NA	NA

The Principal actuarial assumption used:

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	End of Service Benefit (Unfunded)	
	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2022	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate	6.80 % per annum	6.50 % per annum	7.10 % per annum	3.70% per annum	3.00% per annum
Salary Escalation Rate	12.50 % per annum	12.15 % per annum	10.00 % per annum	2.00 % per annum	2.00 % per annum
Mortality Rate	IALM 2006-08 Ult.	IALM 2006-08 Ult.	IALM 2006-08 Ult.	IALM 2006-08 Ult.	IALM 2006-08 Ult.
Expected Rate of return	6.80 % per annum	6.50% per annum	NA	NA	NA
Withdrawal Rate (Per Annum)	3.00% p.a.(18 to 30 Years)	3.00% p.a.(18 to 30 Years)	3.00% p.a.(18 to 30 Years)	2.00% p.a.(18 to 30 Years)	2.00% p.a.(18 to 30 Years)
Withdrawal Rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)
Withdrawal Rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)

Notes Forming Part of Consolidated Financial Statements

39. EMPLOYEE BENEFITS: (Refer Note 31) (CONTD.)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as interest rate risk, longevity risk and salary risk.

The Gratuity scheme is invested in group gratuity-cum-life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on 31st March, 2022 are as follows:

Gratuity (Funded)-

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations-Funded	(34.36)	41.36	38.71	(33.04)	(13.14)	15.30

Gratuity (unfunded)-

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations - Unfunded	(0.01)	0.01	0.01	(0.01)	(0.00)*	0.00**

*₹ (35,596)

** ₹ 37,849

End of Service Benefit (Unfunded)-

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations-Unfunded	(1.41)	1.62	1.62	(1.43)	(0.37)	0.42

Sensitivity Analysis for significant assumptions as on 31st March, 2021 are as follows:

Gratuity (Funded)-

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations	(29.41)	34.92	32.71	(28.28)	(10.63)	12.18

Notes Forming Part of Consolidated Financial Statements

39. EMPLOYEE BENEFITS: (Refer Note 31) (CONTD.)

End of Service Benefit (Unfunded)-

₹ in Crore

Assumptions	Discount rate		Salary Escalation Rate		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligations-Unfunded	(1.67)	1.74	1.95	(1.86)	0.07	(0.08)

The Company expects to contribute ₹ 23.00 Crore (Previous year ₹ 21.68 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligations are as follows:

- Gratuity - Funded - as at 31st March, 2022 is 8 years (as at 31st March, 2021: 8 years).
- End of Service Benefit- as at 31st March, 2022 is 10 years (as at 31st March, 2021: 9 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

₹ in Crore

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	End of Service Benefit (Unfunded)	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Within next 1 year	10.02	7.47	0.00*	1.24	1.10
Between 1 and 2 years	21.01	17.26	0.00*	2.08	0.40
Between 2 and 3 years	19.25	19.26	0.00*	1.31	0.72
Between 3 and 4 years	14.18	18.04	0.00*	2.03	0.48
Between 4 and 5 years	25.47	13.12	0.01	1.67	2.25
5 years onwards	799.38	607.64	0.18	33.91	39.20

*within 1 year ₹ 6,744, Between 1 and 2 years- ₹ 7,675, Between 2 and 3 years- ₹ 14,075, Between 3 and 4 years- ₹ 17,787

(c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at 31st March, 2022 and as at 31st March, 2021.

The details of the plan assets and obligations position are as follows:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Plan assets at year end, at fair value	127.18	100.16
Present value of defined obligations at year end	125.25	100.04
Liability recognized in the Balance Sheet	-	-

The assumptions used in determining the present value of obligations of the interest rate guarantee under deterministic approach are:

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate	6.80%	6.50%
Expected Guaranteed Interest Rate	8.10%	8.50%
Expected Rate of Return on Assets	7.90%	8.35%

(d) Amount recognized as an expense in respect of leave encashment and compensated absences are ₹ 23.42 crore (₹ 23.03 crore for year ended 31st March, 2021).

Notes Forming Part of Consolidated Financial Statements

40. PROVISION FOR MINES RECLAMATION EXPENSES

₹ in Crore

Particulars	2021-2022	2020-2021
Opening Balance	**8.19**	**7.71**
Add: Provision made during the year (Refer Note 34)	0.79	0.61
Add: Unwinding of discount of provision (Refer Note 33)	0.57	0.58
Less: Utilized during the year	0.89	0.71
Closing Balance	**8.66**	**8.19**

41. SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information are given below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Revenue from Operations		
Within India	14,110.75	12,712.59
Outside India	898.81	847.18
Total	**15,009.56**	**13,559.77**
Non- Current Assets		
Within India	6,988.18	5,638.58
Outside India	1,940.41	1,965.59
Total	**8,928.59**	**7,604.17**

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

42. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) Subsidiary Company

(i) Shree Cement East Bengal Foundation (Refer Note 10.4)

(b) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i) The Kamla Company Limited
(ii) Shree Capital Services Ltd.
(iii) Aqua Infra Project Limited
(iv) Alfa Buildhome Private Limited
(v) Rajasthan Forum
(vi) The Bengal
(vii) Sant Parmanand Hospital
(viii) Mannakrishna Investments Private Limited
(ix) Narmada Acidware Private Limited
(x) Education For All Trust
(xi) Shree Foundation Trust
(xii) Ansh Investments Limited
(xiii) Best Cement Material Transport

Notes Forming Part of Consolidated Financial Statements

42. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(c) Key Management Personnel:

(i) Shri H.M. Bangur	Managing Director
(ii) Shri Prashant Bangur	Joint Managing Director
(iii) Shri P.N. Chhangani	Whole Time Director

(d) Relatives to Key Management Personnel:

(i) Shri B.G. Bangur	Father of Shri H.M. Bangur

(e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund
(ii) Shree Cement Employees Group Gratuity Scheme
(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) Details of transactions with related parties:

₹ in Crore

Particulars	2021-2022	2020-2021
Equity Contribution		
- Subsidiary Company	-	0.03
Sale of Goods/Material		
- Subsidiary Company	-	0.01
Sale of Land		
- Entities controlled/ influenced by KMP	0.57	0.05
Purchase of Goods/Material		
- Entities controlled/ influenced by KMP (₹ 7,300 for the year ended 31st March, 2021)	0.30	-
- Subsidiary Company	0.06	-
Services Received		
- Entities controlled/ influenced by KMP	4.74	3.49
- Subsidiary Company	34.45	26.85
Interest Income on Loan		
- Subsidiary Company	0.74	0.20
Contributions Towards Corporate Social Responsibilities		
- Entities controlled/ influenced by KMP	37.14	26.05
Advances Given for Services		
- Entities controlled/ influenced by KMP	1.03	-
Loan Given		
- Subsidiary Company	21.20	16.75
Repayment Received of Loan Given		
- Subsidiary Company	17.20	-

Notes Forming Part of Consolidated Financial Statements

42. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (CONTD.)

(b) Details of balances with related parties

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposit Receivable		
- Entities controlled/ influenced by KMP	0.63	0.63
Advances Given for Services		
- Entities controlled/ influenced by KMP	1.03	-
Loan Receivable		
- Subsidiary Company	20.75	16.75
Interest Receivable		
- Subsidiary Company	0.55	0.20

(c) Key Management Personnel:

₹ in Crore

Particulars	2021-2022	2020-2021
Short Term Benefits	79.74	71.90
Post - Employment Benefits*	4.84	4.48
Total	**84.58**	**76.38**

*As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Relatives to Key Management Personnel:

₹ in Crore

Particulars	2021-2022	2020-2021
Reimbursement of Expenses	0.03	0.03

(e) Information on Transactions With Post-Employment Benefit Plans:

₹ in Crore

Particulars	2021-2022	2020-2021
Contribution (including related insurance premium) paid/payable	37.59	27.05

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. There is no loss allowances required to be recognized for related party receivables as on 31st March, 2022 and 31st March, 2021.

Notes Forming Part of Consolidated Financial Statements

43. Disclosure of Loans & Advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

₹ in Crore

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Shree Cement East Bengal Foundation (for meeting its working capital requirements*)	20.75	16.75	20.75	16.75	-	-

* Unsecured Loan repayable on demand at interest rate of 8% to 9% per annum as at 31st March, 2022 and 9% per annum as at 31st March, 2021. This constitutes 69.89% (65.20% of total loans given as at 31st March, 2021) of total loans given as at 31st March, 2022.

44. EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit Before Tax	2,891.82	3,004.08
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,010.52	1,049.75
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(0.89)	(2.11)
Items not Deductible for Tax/not Liable to Tax (Net)	(345.01)	(321.44)
Tax losses Unutilized / Items Taxed at Different Rate	(16.20)	(55.15)
Current Tax Expense Relating to Earlier Years (Net)	(94.53)	(10.27)
MAT Credit Relating to Earlier Years	(10.00)	-
Others	11.32	53.71
Income Tax Expense Reported	**555.21**	**714.49**

45. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7- Statement of Cash flows are shown below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening Balance of Borrowings (excluding Bank Overdraft)	**2,113.70**	**3,113.15**
Changes from Financing Cash Flows due to Proceeds from /Repayment of Borrowings	(156.80)	(899.45)
The Effect of Changes in Foreign Exchange Rates	34.49	(102.21)
Amortization of Transaction Cost on Borrowings	1.94	2.21
Closing Balance of Borrowings (excluding Bank Overdraft)	**1,993.33**	**2,113.70**

Notes Forming Part of Consolidated Financial Statements

46. CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended 31st March, 2022 as compare to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity, and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarizes long term debt and equity of the Company:

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share Capital	36.08	36.08
Other Equity	17,424.20	15,361.33
Total Equity	**17,460.28**	**15,397.41**
Long Term Debt (Including Current Maturities)	1,693.69	1,625.15
Debt to Equity Ratio	**0.10**	**0.11**

47. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Amortized Cost				
Investments in Bonds and Debentures	3,893.64	4,011.75	3,887.54	4,076.43
Loans	29.69	29.69	25.69	25.69
Trade Receivables	788.29	788.29	679.43	679.43
Cash and Cash Equivalents and Other Bank Balances	289.65	289.65	708.35	708.35
Other Financial Assets	307.72	308.96	260.65	262.52
Financial Assets Classified at Fair Value Through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Structured Equity Instruments, Exchange Traded Funds and STRIPS issued by the Govt. of India	5,139.00	5,139.00	4,612.96	4,612.96
Forward Contracts	-	-	-*	-*
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	65.95	65.95	60.18	60.18
Forward Contracts	0.13	0.13	0.85	0.85
Total Financial Assets	**10,514.07**	**10,633.42**	**10,235.65**	**10,426.41**
Financial Liabilities Classified at Amortized Cost				
Non-Current Borrowings at Floating Rate	968.92	968.92	902.77	902.77

Notes Forming Part of Consolidated Financial Statements

47. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Current Borrowings at Fixed Rate	329.42	328.72	428.78	438.28
Lease Liabilities	115.04	115.04	96.03	96.03
Short Term Borrowings	715.84	715.84	802.30	802.30
Trade Payables	890.37	890.37	882.97	882.97
Other Financial Liabilities	1,492.48	1,492.48	1,337.95	1,337.95
Financial Liabilities Classified at Fair Value Through Profit or Loss				
Forward Contracts	3.58	3.58	1.84	1.84
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	26.71	26.71	87.62	87.62
Forward Contracts	5.15	5.15	1.19	1.19
Total Financial Liabilities	**4,547.51**	**4,546.81**	**4,541.45**	**4,550.95**

*₹ 6,778

Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates to their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.

c) The fair value of derivative are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds.

Notes Forming Part of Consolidated Financial Statements

47. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e. unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities grouped into Level 1 to Level 3 as described below:

Assets and Liabilities Measured at Fair Value (Accounted)

₹ in Crore

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual Funds	2,729.00	-	-	2,729.00
Preference Shares	-	73.61	-	73.61
Exchange Traded Funds	1,545.60	-	-	1,545.60
Perpetual Bonds	24.15	660.65	-	684.80
Structured Equity Instruments	3.34	-	-	3.34
STRIPS issued by the Govt. of India	102.65	-	-	102.65
Derivatives Designated as Hedges	-	66.08	-	66.08
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	3.58	-	3.58
Derivatives Designated as Hedges	-	31.86	-	31.86

₹ in Crore

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual Funds	3,774.19	-	-	3,774.19
Preference Shares	-	93.83	-	93.83
Exchange Traded Funds	647.71	-	-	647.71
STRIPS issued by the Govt. of India	97.23	-	-	97.23
Derivatives not Designated as Hedges	-	-*	-	-*
Derivatives Designated as Hedges	-	61.03	-	61.03
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	1.84	-	1.84
Derivatives Designated as Hedges	-	88.81	-	88.81

*₹ 6,778

Notes Forming Part of Consolidated Financial Statements

47. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Fair Value of Assets and Liabilities Classified at Amortized Cost (only disclosed)

₹ in Crore

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	348.51	3,663.24	-	4,011.75
Loans	-	29.69	-	29.69
Other Financial Assets	-	308.96	-	308.96
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	328.72	-	328.72
Other Financial Liabilities	-	1,492.48	-	1,492.48

₹ in Crore

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	127.33	3,949.10	-	4,076.43
Loans	-	25.69	-	25.69
Other Financial Assets	-	262.52	-	262.52
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	438.28	-	438.28
Other Financial Liabilities	-	1,337.95	-	1,337.95

During the year ended 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at 31st March, 2022 and 31st March, 2021, respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-

Notes Forming Part of Consolidated Financial Statements

47. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTD.)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Derivative Financial Instruments –Both Designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments –Both Designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Fair Value of Assets and Liabilities classified at Amortized Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Risk Management

Notes Forming Part of Consolidated Financial Statements

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market Risk and Sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at 31st March, 2022 and 31st March, 2021.

The sensitivity analysis excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non- financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities exposes it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rates.

Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its floating interest rate on foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to foreign currency denominated floating interest rate as on 31st March, 2022 and 31st March, 2021. Following is the interest rate sensitivity for unhedged exposure of Indian Rupee denominated floating interest rate borrowing:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Impact on profit before tax due to increase in 50 basis points	(1.61)	-
Impact on profit before tax due to decrease in 50 basis points	1.61	-

Foreign Currency Risk and Sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore, exposed to foreign exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

Notes Forming Part of Consolidated Financial Statements

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non-designated foreign currency derivative.

The following tables demonstrate the sensitivity in the USD, JPY, EURO, GBP and CHF to the Indian Rupee with all other variable held constant.

For the Year ended 31st March, 2022

Particulars	Effect on Profit Before Tax (₹ in crore)				
	USD	JPY	EURO	GBP	CHF
Change in Currency Exchange Rate					
+5%	(0.66)	0.70	5.15	0.71	(0.01)
-5%	0.66	(0.70)	(5.15)	(0.71)	0.01

For the Year ended 31st March, 2021

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	(0.81)	0.24	2.18	0.04
-5%	0.81	(0.24)	(2.18)	(0.04)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit Risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances, security deposits, bank guarantee, letter of credits and security cheques from its customers which mitigate the credit risk to an extent.

Notes Forming Part of Consolidated Financial Statements

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

The ageing of trade receivables are as below:

₹ in Crore

Particulars	Neither Due nor Impaired	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022							
Undisputed							
-Considered good	641.31	95.04	1.60	1.51	24.25	24.58	788.29
-Which have significant increase in credit risk	-	-	-	-	15.79	22.40	38.19
Disputed							
-Considered good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	0.26	0.01	0.22	0.67	1.12	2.28
Gross Total	**641.31**	**95.30**	**1.61**	**1.73**	**40.71**	**48.10**	**828.76**
Allowance for doubtful trade receivables which have significant increase in credit risk							40.47
Net Total							**788.29**
As at 31st March, 2021							
Undisputed							
-Considered good	520.99	92.98	4.06	13.90	46.63	0.87	679.43
-Which have significant increase in credit risk	-	-	-	-	31.02	-	31.02
Disputed							
-Considered good	-	-	-	-	-	-	-
-Which have significant increase in credit risk	-	0.30	0.23	0.58	0.39	0.85	2.35
Gross Total	**520.99**	**93.28**	**4.29**	**14.48**	**78.04**	**1.72**	**712.80**
Allowance for doubtful trade receivables which have significant increase in credit risk							33.37
Net Total							**679.43**

Movement in Allowance for Doubtful Trade Receivables are given below:

₹ in Crore

Particulars	2021-2022	2020-2021
Opening Balance	**33.37**	**13.16**
Add: Effect of exchange rate on consolidation of foreign subsidiaries	1.11	(0.44)
Add: Provision made during the year (Refer note 34)	5.99	20.65
Less: Utilized during the year	-	-
Closing Balance	**40.47**	**33.37**

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹ 10,514.07 crore as at 31st March, 2022 and ₹ 10,235.65 crore as at 31st March, 2021, which are the carrying amounts of cash and cash equivalents, other bank balances, investments, trade receivables, loans and other financial assets.

Notes Forming Part of Consolidated Financial Statements

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at 31st March, 2022

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	716.68	1,300.27	-	2,016.95
Lease Liabilities	25.97	32.66	175.92	234.55
Trade Payables	890.37	-	-	890.37
Derivative Financial Instruments	15.16	20.28	-	35.44
Other Financial Liabilities	1,376.61	115.87	-	1,492.48
Total	**3,024.79**	**1,469.08**	**175.92**	**4,669.79**

As at 31st March, 2021

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	803.23	1,335.34	-	2,138.57
Lease Liabilities	13.53	31.09	173.86	218.48
Trade Payables	882.97	-	-	882.97
Derivative Financial Instruments	18.68	71.97	-	90.65
Other Financial Liabilities	1,235.64	102.31	-	1,337.95
Total	**2,954.05**	**1,540.71**	**173.86**	**4,668.62**

49. DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instrument outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31.03.2022	As at 31.03.2021
Forward Contracts	Imports	USD	7.99	4.75
		JPY	22.04	7.05
		EURO	1.18	0.49
		GBP	0.04	0.01
Cross Currency & Interest Rate Swaps	ECB	SGD	7.85	8.83
Interest Rate Swaps	ECB	USD	12.33	15.61
Cross Currency Swaps	ECB	USD	18.33	22.36

Notes Forming Part of Consolidated Financial Statements

49. DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

Cash Flow Hedges

The objective of cross currency & interest rate swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and some foreign currency forward contracts based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 22 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above swaps are as under:

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swaps	65.95	26.71	60.18	87.62
Forward Contracts	0.13	5.15	0.85	1.19

The movement of Effective Portion of Cash Flow Hedges are shown below:

₹ in Crore

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening Balance	**(35.33)**	**(29.65)**
Gain/(loss) recognized on cash flow hedges	(37.30)	(239.12)
Income tax relating to gain/(loss) recognized on cash flow hedges	13.86	80.35
Reclassified to Profit or Loss #	59.87	219.48
Income tax relating to Reclassified to Profit or Loss	(20.91)	(74.32)
Amount transferred to initial cost of non-financial asset	7.72	12.00
Income tax relating to amount transferred to initial cost of non-financial asset	(2.82)	(4.07)
Closing Balance	**(14.91)**	**(35.33)**

Includes ₹ (37.50) crore (Previous year: ₹ 101.78 crore) to Foreign Exchange Rate Differences and ₹ 97.37 crore (Previous year: ₹ 117.70 crore) to Finance Cost.

Notes Forming Part of Consolidated Financial Statements

49. DERIVATIVE FINANCIAL INSTRUMENTS (CONTD.)

Foreign Currency Forward Contracts

The Company enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases.

Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

The fair value of foreign currency forward contracts are as under:

₹ in Crore

Particulars	As at 31.03.2022		As at 31.03.2021	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	-	3.58	-*	1.84

*₹ 6,778

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognized in the Profit or Loss is ₹ (2.04) crore for the year ended 31st March, 2022 (₹ (0.51) crore for the year ended 31st March, 2021)

50. COLLATERALS

Inventory, Trade Receivables, Other Current Assets, Property, Plant and Equipment are hypothecated / mortgaged as collateral/security against the borrowings. Refer Note 22 and 25. Additionally, some of the Fixed Deposits and Investments are pledged against working capital facilities.

51. EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2021-2022	2020-2021
Profit or Loss attributable to the Owners of the Company	₹ in crore	2,331.94	2,285.87
Equity Share Capital	₹ in crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	3,60,80,748	3,60,80,748
Earnings Per Share – Basic and Diluted	₹	646.31	633.54

B. Cash EPS : (Profit for the year attributable to the Owners of the Company + Depreciation and Amortisation Expense [Net of ₹ 2.15 crore (₹ 2.40 crore for year ended 31st March, 2021) of Non-Controlling Interest]+Deferred Tax excluding MAT credit related to earlier years)/ Weighted average number of equity shares outstanding.

52. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend proposed to be distributed

₹ in Crore

Particulars	As at 31.03.2022	As at 31.03.2021
Dividend Proposed for Equity Shareholders (Note 52.1)	162.36	216.48
Total	**162.36**	**216.48**

Note 52.1 : ₹ 45 per share for FY 2021-22 (₹ 60 per share for FY 2020-21).

Notes Forming Part of Consolidated Financial Statements

53. Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures (Form AOC-1-Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part –A Subsidiaries

₹ in Crore

Sr. No	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend	% of share holding
1	Shree Global FZE	AED	2,832.32	17.00	2,849.68	0.36	2,705.88	-	3.84	-	3.84	-	100%
2	Shree Enterprises Management Ltd.	AED	19.71	(0.42)	19.87	0.58	19.71	-	(0.11)	-	(0.11)	-	100%
3	Shree International Holding Ltd	AED	37.90	2,271.70	2,309.76	0.16	2,309.32	-	(2.31)	-	(2.31)	-	100%
4	Union Cement Company PJSC	AED	1,381.84	560.72	2,225.52	282.96	26.03	872.43	(48.26)	-	(48.26)	-	98.25%
5	Union Cement Norcem Company Limited L.L.C.	AED	5.16	19.42	32.62	8.04	-	77.06	14.41	-	14.41	-	60%
6	Raipur Handling and Infrastructure Private Limited	INR	3.45	83.30	89.30	2.55	4.82	41.29	29.53	1.77	27.76	-	100%
7	Shree Cement East Bengal Foundation *	INR	0.03										
8	Shree Cement North Private Limited	INR	120.00	(2.20)	123.77	5.97	6.62	-	(2.64)	(0.44)	(2.20)	-	100%
9	Shree Cement East Private Limited	INR	105.00	(1.97)	107.40	4.37	9.04	-	(2.37)	(0.40)	(1.97)	-	100%
10	Shree Cement South Private Limited	INR	0.05	-**	0.05	-**	-	-	-**	-**	-**	-	100%

** Reserve & Surplus – ₹ (34,585), Total Liabilities ₹ 12,575, Profit / (Loss) Before Taxation ₹ (41,010), Provision for Taxation ₹ (6,425), Profit / (Loss) after taxation – ₹ (34,585)

*The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and hence, not consolidated in the Consolidated Financial Statements.

Note - For converting the figures given in foreign currency appearing in the accounts of the subsidiary company into equivalent ₹, following exchange rates are used.

Currency	Balance Sheet (Closing rate)
Arab Emirates Dirham (AED)- Indian Rupee	20.6418

Part B of the Form AOC-I is not applicable as there are no associate companies/Joint Ventures of the Company as on 31st March, 2022.

Notes Forming Part of Consolidated Financial Statements

54. Additional information, as required under Schedule III of the Companies Act, 2013 of Enterprises consolidated as Subsidiary/Associates/Joint Ventures

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹ in Crore	As % of Consolidated Profit or (Loss)	₹ in Crore	As % of Consolidated Other Comprehensive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
Parent								
Shree Cement Limited	98.63%	17,270.87	101.71%	2,376.62	17.16%	18.12	98.06%	2,394.74
Subsidiaries - Indian								
Raipur Handling and Infrastructure Private Limited	0.50%	86.75	1.19%	27.76	0.04%	0.04	1.14%	27.80
Shree Cement North Private Limited	0.67%	117.80	(0.09)%	(2.20)	-	-	(0.09)%	(2.20)
Shree Cement East Private Limited	0.59%	103.03	(0.08)%	(1.97)	-	-	(0.08)%	(1.97)
Shree Cement South Private Limited	0.00%	0.05	-*	-	-	-	-*	-
Subsidiaries - Foreign								
Shree Global FZE	16.27%	2,849.32	0.16%	3.84	-	-	0.16%	3.84
Shree Enterprises Management Ltd.	0.11%	19.29	(0.00)%	(0.11)	-	-	(0.00)%	(0.11)
Shree International Holding Ltd.	13.19%	2,309.60	(0.10)%	(2.31)	-	-	(0.09)%	(2.31)
Union Cement Company PJSC	11.09%	1,942.56	(2.07)%	(48.26)	1.68%	1.77	(1.91)%	(46.49)
Union Cement Norcem Company Limited L.L.C.	0.14%	24.58	0.62%	14.41	-	-	0.59%	14.41
Non- Controlling Interests in all Subsidiaries	0.29%	50.29	0.20%	4.67	1.48%	1.56	0.25%	6.23
Adjustment due to consolidation	(41.48)%	(7,263.57)	(1.54)%	(35.84)	79.64%	84.09	1.97%	48.25
TOTAL	**100.00%**	**17,510.57**	**100.00%**	**2,336.61**	**100.00%**	**105.58**	**100.00%**	**2,442.19**

* ₹ (34,585)

Notes Forming Part of Consolidated Financial Statements

55. TRADE PAYABLE

A. The ageing of trade payables is as below:

₹ in Crore

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022						
Undisputed						
-MSME	6.51	-	-	-	-	6.51
-Others	561.20	130.39	3.14	0.70	1.43	696.86
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	0.01	-	-	0.01
Total	**567.71**	**130.39**	**3.15**	**0.70**	**1.43**	**703.38**
Add: Provision for Expenses						186.99
Total Trade payables						**890.37**
As at 31st March, 2021						
Undisputed						
-MSME	4.08	-	-	-	-	4.08
-Others	507.15	156.45	6.13	4.66	3.69	678.08
Disputed						
-MSME	-	-	-	-	-	-
-Others	-	-	0.21	0.13	-	0.34
Total	**511.23**	**156.45**	**6.34**	**4.79**	**3.69**	**682.50**
Add: Provision for Expenses						200.47
Total Trade payables						**882.97**

B. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in Crore

Sr. No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	6.51	4.08
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	6.51	4.08
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of Consolidated Financial Statements

56. Previous year figures have been regrouped and rearranged wherever necessary.

57. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at 31st March, 2022. Looking to the present situation of pandemic, the extent to which the same will impact Company's future financial results is currently uncertain and will depend on further developments. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

58. Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 58

As per our report of even date	For and on behalf of the Board			
For Gupta & Dua Chartered Accountants Firm's Registration No. 003849N	**B. G. Bangur** Chairman DIN: 00244196 Place: Kolkata	**H. M. Bangur** Managing Director DIN: 00244329 Place: Kolkata	**Prashant Bangur** Joint Managing Director DIN: 00403621 Place: Kolkata	**P.N. Chhangani** Whole Time Director DIN: 08189579 Place: Kolkata
Mukesh Dua Partner Membership No. 085323 Place: Kolkata	**Dr. Y.K. Alagh** Independent Director DIN: 00244686 Place: Ahmedabad	**R.L. Gaggar** Independent Director DIN: 00066068 Place: Kolkata	**Shreekant Somany** Independent Director DIN: 00021423 Place: Kolkata	**Uma Ghurka** Independent Director DIN: 00351117 Place: London (U.K.)
Date : 21st May, 2022	**Nitin Desai** Independent Director DIN: 02895410 Place: Kolkata	**Sanjiv Krishnaji Shelgikar** Independent Director DIN: 00094311 Place: Kolkata	**Subhash Jajoo** Chief Finance Officer Place: Kolkata	**S S Khandelwal** Company Secretary Place: Kolkata

Ratio Analysis

Financial Performance Ratios

	2017-18	2018-19	2019-20	2020-21	2021-22
Raw Material Cost / Net Turnover (%)	10.20	10.02	8.73	8.85	9.07
Power & Fuel Cost / Net Turnover (%)	20.13	23.42	19.72	16.44	22.10
Freight / Net Turnover (%)	25.68	24.43	21.89	23.97	22.66
Manpower & Admin Cost / Net Turnover (%)	8.72	9.60	8.66	8.79	7.90
Finance Cost / Net Turnover (%)	1.38	2.11	2.41	1.95	1.52
Depreciation / Net Turnover (%)	9.15	11.87	14.28	9.00	7.25
Tax / Profit Before Tax (%)	24.24	10.35	19.90	23.59	18.91
Net Profit Margin (%)	14.08	8.11	13.19	18.25	16.61
Cash Profit / Net Turnover (%)	23.19	20.76	26.33	26.93	24.67
ROCE [PBIT (With other Income) / Avg. Capital Employed] (%)	18.43	10.76	15.78	19.56	17.17
Return on Net Worth (%)	15.56	9.91	12.14	15.16	13.76
Net Turnover / Average Capital Employed (%)	92.37	94.93	83.61	75.72	78.03
EBIDTA (With Other Income) / Net Turnover (%)	29.10	24.72	33.15	34.83	29.25
EBIDTA (Without Other Income) / Net Turnover (%)	25.15	22.63	30.87	31.41	25.50
Earnings Per Share (₹)	397.33	273.00	445.08	640.77	658.69
Cash Earning Per Share (₹)	654.47	698.54	888.58	945.68	978.14

Balance Sheet Ratios

	2017-18	2018-19	2019-20	2020-21	2021-22
Debt Equity Ratio (Times)	0.25	0.24	0.19	0.11	0.10
Debtor Turnover (Times)	30.58	24.77	19.36	24.66	33.58
Inventory Turnover (Times)	12.95	7.42	7.89	8.72	7.86
Current Ratio (Times)	1.92	2.01	1.79	1.69	1.69
Quick Ratio (Times)	1.39	1.21	1.42	1.34	1.21
Interest Coverage Ratio (Times)	21.16	11.73	13.77	17.86	19.22
Book Value Per Share (₹)	2,553.83	2,754.92	3,585.41	4,226.65	4,786.73

Corporate Information

Board of Directors

Shri B.G. Bangur
Chairman

Shri H.M. Bangur
Managing Director

Shri Prashant Bangur
Joint Managing Director

Shri P.N. Chhangani
Whole Time Director

Shri R.L. Gaggar
Independent Director

Shri Shreekant Somany
Independent Director

Dr. Y.K. Alagh
Independent Director

Shri Nitin Dayalji Desai
Independent Director

Ms. Uma Ghurka
Independent Director

Shri Sanjiv Krishnaji Shelgikar
Independent Director

Mr. Zubair Ahmed
Independent Director

Senior Executives

Shri Diwakar Payal
President (Marketing)

Shri Sanjay Mehta
President (Commercial) and Chief Happiness Officer

Shri Sumit Malhotra
Joint President (Marketing)

Shri K.C. Gandhi
Joint President (Materials Management)

Shri Arvind Khicha
Joint President (Commercial)

Shri M.M. Rathi
Joint President (Power Plants)

Shri R. K. Agarwal
Joint President (Projects)

Shri Vinay Saxena
Senior Vice President (Operations)

Shri Narip Bajwa
Senior Vice President (Marketing)

Shri Himanshu Dewan
Senior Vice President (Marketing)

Shri K.K. Jain
Vice President
(Accounts & Contract Cell)

Shri R.N. Dani
Vice President (Costing & MIS)

Shri Satish Chander
Vice President (Operations)

Shri K.L. Mahajan
Vice President (Operations)

Shri A.K. Gupta
Vice President (Project - Civil)

Shri Sanjay Singh
Vice President (Marketing)

Shri Gaurav Singh Bhadauria
Vice President (Marketing)

Shri S.K. Sharma
Vice President (P&A)

Shri Yogesh Mehta
Vice President (Logistics)

Shri S.K. Gupta
Vice President (Project Accounts)

Shri Kapil Chadha
Advisor (Logistics)

Shri Rajesh Sharma
Vice President (Commercial)

Shri Manoranjan Kumar
Chief Information Officer (IT & ERP)

Shri Bharat Sharma
Chief Strategy Officer

Shri K.K. Talwar
Joint Vice President (Marketing)

Shri Anil Kaushik
Joint Vice President (Marketing)

Shri Arun Kumar Sinha
Joint Vice President (Marketing)

Shri Pankaj Agarwal
Joint Vice President (Mines)

Shri Sunil Kumar Singh
Joint Vice President (Process - Power Plant)

Shri Varun Mudgal
Joint Vice President (Project Purchase)

Shri Raman Mahajan
Joint Vice President (Electrical - Project)

Shri Manoj Kumar Singh
Joint Vice President (Instrumentation - Project)

Shri Mahendra Kumar Garg
Joint Vice President (Project Mines)

Shri Amarjit Singh
Joint Vice President (Power Business Development)

Shri Arvindkumar Patil
Joint Vice President (Operations)

Shri Sarbeswar Mohanty
Chief Information and Liaison Officer (Operations)

Company Secretary
Shri S.S. Khandelwal

Chief Finance Officer
Shri Subhash Jajoo

Chief Sustainability Officer
Shri Shrinath Savoor

Bankers
Axis Bank Ltd.
HDFC Bank Ltd.
State Bank of India
ICICI Bank Ltd.
J P Morgan Chase Bank N.A.
MUFG Bank, Ltd.
Standard Chartered Bank
DBS Bank India Ltd.
BNP Paribas
Sumitomo Mitsui Banking Corporation
HSBC Bank

Statutory Auditors
M/s. Gupta & Dua

Secretarial Auditors
M/s. Pinchaa & Co.,

Cost Auditors
M/s. K.G. Goyal & Associates

Internal Auditors
M/s. Ernst & Young LLP

M/s. P.K. Ajmera & Co.

M/s. Deloitte Touche Tohmatsu India LLP

Registered Office
Bangur Nagar, Beawar-305 901,
Distt. Ajmer, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117/19
Toll free no.: 1800 180 6003-04
website: www.shreecement.com
email: sclbwr@shreecement.com

Corporate Office
21, Strand Road, Kolkata-700 001
Phone: +91-33-22309601-05
Fax: +91-33-22434226
email: sclcal@shreecement.com

Mumbai Office
Unit No. 1110A, 11th Floor,
"C" Wing, One BKC Building,
Plot No. C-66, G-Block, BKC,
Bandra (East), Near MCA Club,
Mumbai – 400051
Phone: +91-22-26523455/57
email: gandhikc@shreecement.com

Shree Cement

Company's Plants & Marketing Offices

INTEGRATED CEMENT PLANTS

Beawar: Bangur Nagar, Beawar – 305 901, Distt.: Ajmer, Rajasthan (India) Phone: +91-1462-228101-06 Fax: +91-1462-228117 / 228119 Email: shreebwr@shreecement.com	**Ras:** Bangur City, Ras, Tehsil: Jaitaran-306 107, Distt.: Pali, Rajasthan (India) Phone: +91-1462-228101-06 Fax: +91-1462-228117 / 228119 Email: shreebwr@shreecement.com
Balodabazar (Raipur): Village Khapradih, Tehsil- Simga, Distt.: Balodabazar, Chhattisgarh (India) Phone: +91-771-2430007 / 2430023	**Kodla:** Village Benkanhalli & Kodla, Post – Kodla, Taluka Sedam- 585222 Distt.: Kalaburagi, Karnataka (India)

SPLIT GRINDING UNITS

Khushkhera: Plot No. SP 3-II, A-1, RIICO Industrial Area, Khushkhera (Bhiwadi), Distt.: Alwar, Rajasthan.	**Jobner (Jaipur):** Mahela-Jobner Road, Village: Aslapur, Distt: Jaipur, Rajasthan.
Suratgarh: Near N.H. 15, Udaipur Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan.	**Laksar (Roorkee):** Akbarpur-Oud, Distt: Haridwar, Uttarakhand.
Panipat: Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt.: Panipat, Haryana.	**Aurangabad:** Biada Industrial Growth Centre, Near Jasoia Mor, Post: Mojurahi, Distt.: Aurangabad, Bihar.
Bulandshahr: 12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh.	**Saraikela:** PO-Burudh, Hansda, Distt.: Seraikela - Kharsawan, Jharkhand.
Cuttack: Village - Chandrabalishyampur, Block - Athagarh, Distt.: Cuttack, Odisha.	**Patas:** Village-Patas, Distt.: Pune, Maharashtra.

CENTRAL MARKETING OFFICES

Shree Jung Rodhak Cement & Roofon 122-123, Hans Bhawan 1 Bahadur Shah Zafar Marg, New Delhi - 110 002	**Bangur Cement & Bangur Power** CP001, Block B1, DLF Corporate Park, DLF City, Phase 3, MG Road, Gurugram, Haryana - 122022	**Rockstrong Cement** 10-A, DCM Building, 16-Barakhamba Road Connaught Place, New Delhi - 110 001

Shree Cement

www.shreecement.com

CIN No. L26943RJ1979PLC001935

SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: shreebwr@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of the Members of **SHREE CEMENT LIMITED** will be held on **Thursday, 28th July, 2022 at 12:15 P.M. (IST),** at the Registered Office of the Company at **"Rangmanch Auditorium", Bangur Nagar, Beawar – 305 901, District: Ajmer (Rajasthan),** to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022 and the Reports of the Board of Directors and Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 and the Report of the Auditors thereon.

2. To confirm the payment of Interim Dividend of ₹ 45/- per Equity Share for the financial year ended 31st March, 2022.

3. To declare dividend of ₹ 45/- per Equity Shares as final dividend, for the financial year ended 31st March 2022.

4. To appoint a Director in place of Mr. Prakash Narayan Chhangani (DIN: 08189579), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. B.R. Maheswari & Co., LLP, Chartered Accountants, (Firm Registration No. 001035N/N500050) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years to hold office from the conclusion of this 43rd Annual General Meeting till the conclusion of the 48th Annual General Meeting, at a remuneration of ₹ 48,00,000/- (Rupees Forty Eight Lac only) plus applicable taxes and reimbursement of out-of-pocket expenses for the year 2022-23, and for subsequent years, as may be mutually agreed between the Company and the Statutory Auditors from time to time."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 6,00,000/- (Rupees Six Lac only) plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the audit, payable to M/s. K. G. Goyal and Associates, Cost Accountants (Firm Registration No. 000024), who have been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31st March 2023, be and is hereby ratified."

7. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and other relevant provisions and subject to necessary approvals from Stock Exchanges and other appropriate statutory authorities as may be necessary, approval of the Members of the Company be and is hereby accorded for reclassification of Smt. Padma Devi Maheshwari, who is holding 600 equity shares (amounting to 0.0017% of the total paid-up share capital of the Company) from the 'Promoter and Promoter Group' category to 'Public' category, in the shareholding pattern of the Company, records and/or other disclosures.

RESOLVED FURTHER THAT the above applicant has confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with the conditions as mentioned in Regulation 31A of Listing Regulations, post reclassification from "Promoter and Promoter Group" to "Public".

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any Committee of the Board or any other officer or officers of the Company on whom, all or any of the powers herein conferred is sub-delegated) be and are hereby authorized to perform and execute all such acts, deeds, matters and things as may be necessary, including, but not limited to settle all such queries, difficulties or doubts whatsoever which may arise and to take all such steps and decisions in this regard to give effect to this resolution."

8. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and other applicable provisions, if any, Mr. Zubair Ahmed (DIN: 00182990), who was appointed as an Additional Director of the Company in the capacity of an Independent Director with effect from 21st May, 2022 pursuant to provisions of Section 161 of the Act and in respect of whom the Company has received a Notice in writing under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years commencing from 21st May, 2022.

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

9. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (which includes any committee of the Board on whom, all or any of the powers herein conferred is sub-delegated), the consent of the Members of the Company be and is hereby accorded to adopt the new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company.

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

10. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

    "RESOLVED THAT in supersession of the Special Resolution passed by the Members of the Company at the Annual General Meeting held on 30th July, 2018 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee of the Board) for borrowing from time to time and in any manner, any sum or sums of money upon such terms and conditions and with or without security as the Board may in its absolute discretion think fit for the purpose of the business of the Company, from any one or more Banks, Financial Institutions, Firms, Bodies Corporate or any other person notwithstanding that the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of its paid-up share capital, free reserves and securities premium, apart from the temporary loans obtained or to be obtained from time to time from the Bank/Lenders for the purpose of business of the Company, provided however that, the sums so borrowed and remaining outstanding on account of principal amount shall not, at any time, exceed ₹ 20,000 Crore (Rupees Twenty Thousand Crore only).

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

11. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

    "RESOLVED THAT in supersession of previous Special Resolution passed by the members of the Company at Annual General Meeting held on 30th July, 2018 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee of the Board) for creation of Charge/ hypothecation/ pledge/ mortgage/ security in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and / or immovable properties, tangible and / or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Trustee(s) and Agent(s) for securing the borrowings availed / to be availed by the Company (in foreign currency and / or rupee currency) and securities (comprising of debentures, bonds, secured premium notes and other debt instruments), issued / to be issued by the Company subject to an overall borrowing limit of ₹ 20,000 Crore (Rupees Twenty Thousand Crore only).

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

By order of the Board of Directors

S. S. KHANDELWAL
Company Secretary
(Membership No. F5421)

Place: Kolkata
Date: 21st May, 2022

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. A PROXY FORM IS ATTACHED HEREWITH.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution passed pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the AGM.

3. Explanatory Statements setting out the material facts concerning each item of Special Business to be transacted at the AGM pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information of the Director proposed to be appointed/reappointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 and other applicable provisions is provided in **Annexure - A** to this Notice.

4. Members/Proxies are requested to bring their Attendance Slip at the AGM.

5. When a Member appoints a Proxy and both the Member and the Proxy attend the AGM, the Proxy stands automatically revoked.

6. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.

7. A Member can inspect the Proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the said Meeting, provided he/she has given to the Company a notice in writing of his/her intention to inspect the Proxies lodged not less than three days before the commencement of the said Meeting.

8. The Company has fixed Thursday, 14th July, 2022 as the 'Record Date' for payment of Final Dividend for the financial year ended 31st March, 2022, if approved at the AGM.

9. The final dividend, as recommended by the Board, if approved at the AGM will be paid on or after Friday, 29th July, 2022 to those Members:

   (i) whose names appear as Beneficial Owners in the list of Beneficial Owners on Thursday, 14th July, 2022 as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose; and

   (ii) whose names appears as Members in the Register of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company or its Registrar and Share Transfer Agent ("RTA") viz. Link Intime India Private Limited on or before Thursday, 14th July, 2022.

10. (A) In terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the Company has transferred the unpaid or unclaimed dividend declared up to the financial year 2014-15 (Interim) to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

    (B) Members may claim refund of their dividend which has been transferred in IEPF from the IEPF Authority by following the procedure as prescribed under the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).

    (C) The Company has uploaded the details of unclaimed dividend amounts lying with the Company as on 9th August, 2021 (date of last AGM) on the website of the Company which can be accessed through the link: https://sclepro.shreecement.com/sec/. The said details have also been submitted to Ministry of Corporate Affairs and same can be accessed through the link: http://iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor.

    (D) The details of dividend declared by the Company and last date of their transfer in the IEPF are given hereunder:-

Year	Type of Dividend	Dividend (₹ per Share)	Date of declaration of Dividend	Last date for transfer of unpaid dividend in Investor Education and Protection Fund
2014-15	Final	14	14/11/2015	20/12/2022
2015-16	First Interim	12	02/02/2016	10/03/2023
	Second Interim	12	10/03/2016	15/04/2023
2016-17	Interim	16	12/08/2016	17/09/2023
	One-Time Special Dividend	100	30/01/2017	07/03/2024
	Final	24	31/07/2017	07/09/2024
2017-18	Interim	20	11/01/2018	13/02/2025
	Final	30	30/07/2018	29/08/2025
2018-19	Interim	25	22/01/2019	25/02/2026
	Final	35	09/08/2019	11/09/2026
2019-20	Interim	110	14/02/2020	16/03/2027
2020-21	Final	60	09/08/2021	09/09/2028
2021-22	Interim	45	04/02/2022	07/03/2029

    The Members who have not yet claimed the dividend are requested to approach to the Company for dividend payment.

    (E) Members are requested to note that pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the IEPF Rules, the Company is also required to transfer the shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance with the said requirements, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Such shares can be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner. The details thereof are available on the website of the Company and can also be accessed through the link: https://www.shreecement.com/investors/shareholder-information.

The said details have also been submitted to Ministry of Corporate Affairs and same can be accessed through the link: http://iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor.

11. Regulations 12 read with Schedule I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires all companies to use the facilities of Electronic Clearing Services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be available for inspection by the Members at the time of commencement of the AGM and shall remain open and accessible to the Members during the AGM.

13. Relevant documents referred to in the Notice are open for inspection by the Members at the Registered Office of the Company on all working days other than Saturdays from 2.00 P.M. to 5.00 P.M. up to the date of AGM.

14. Link Intime India Private Limited is acting as Registrar & Share Transfer Agent (RTA) for both physical and electronic form of shareholdings. All communications relating to shares should be addressed to:-

    Link Intime India Private Limited
    Unit: SHREE CEMENT LIMITED
    C-101, 1st Floor, 247 Park,
    Lal Bahadur Shastri Marg,
    Vikhroli (West),
    Mumbai-400083 (Maharashtra)
    E-mail:- rnt.helpdesk@linkintime.co.in
    Tel: 022 - 4918 6270
    Attn: Ms. Saili Lad, Senior Associate

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Link Intime India Private Limited / Company.

16. As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. In view of the above and to avail the benefits of dematerialization (Demat), Members are requested to consider dematerializing their physical shares.

17. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meetings and other shareholder correspondences through Electronic Mode. Members holding shares in physical mode are requested to register their e-mail address with the Company and Members holding shares in demat mode are requested to register their e-mail addresses with their respective Depository Participants (DPs). If there is any change in the e-mail address already registered, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in Demat mode.

18. Copy of the Notice of the AGM, inter alia, indicating the process and manner of voting through electronic means along with Attendance Slip, Proxy Form and the Annual Report 2021-22 are being sent in electronic mode to the Members whose e-mail addresses are registered with the Company's RTA/ Depository Participant(s), unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests its Members who have not registered their e-mail addresses so far, to register their e-mail addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.

19. A Route Map and prominent landmark for easy location of the venue of the AGM is enclosed with this Notice. Members may also note that the Notice of this AGM and the Annual Report of the Company for the year 2021-22 is also be available on the website of the Company viz. www.shreecement.com.

20. Instructions for voting through electronic means (e-voting), & other instructions relating thereto are as under:

VOTING THROUGH ELECTRONIC MEANS

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the AGM by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

II. The facility for voting, through polling paper shall also be made available at the venue of the AGM. The Members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper. The Members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

III. The Company has engaged the services of National Securities Depository Limited (NSDL) as the Agency to provide remote e-voting facility.

IV. The Board of Directors of the Company has appointed Shri Akshit Kumar Jangid (Membership No. F11285) and failing him Ms. Krati Upadhyay (Membership No. A58280), Practicing Company Secretaries, as Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.

V. Voting rights of the Members (for voting through remote e-voting or through polling papers at the meeting) shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 21st July, 2022. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM.

VI. The remote e-voting facility will be available during the following period:

   a. Commencement of remote e-voting: 9.00 A.M. (IST) on Monday, 25th July, 2022

   b. End of remote e-voting: 5.00 P.M. (IST) on Wednesday, 27th July, 2022

   c. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period.

VII. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in mentioning their demat account number/ folio number, PAN, name and registered address. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

VIII. In case a Member receives a physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories), Initial password is provided in the enclosed Attendance Slip.

IX. Process and manner for Remote e-voting:

A. Step 1: Access to NSDL e-voting system

a. Login method for e-voting for Individual shareholders holding securities in demat mode

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / Depositories Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**A. NSDL Internet Based Demat Account Statement (IDeAS) facility** **If you are already registered for the NSDL IDeAS facility, follow the below steps:** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/. 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. 4. Click on "Access to e-Voting" appearing on the left hand side under e-Voting services and you will be able to see e-voting page. 5. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. **If the user is not registered for IDeAS e-Services, follow the below steps:** 1. Option to register is available at https://eservices.nsdl.com. 2. Select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Upon successful registration, please follow steps given in points 1-5 above. **B. E-Voting website of NSDL** 1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/. 2. Once the home page of e-Voting system is launched, click on the "Login" icon which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your 16-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to the NSDL website wherein you can see the e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the remote e-voting period. **C. Mobile Application of NSDL - "NSDL Speede"** Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. 2. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. 3. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" and "Forgot Password" option available on the above-mentioned website.

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

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 4430
Individual shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

b. **Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

i. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholder/ Member" section.

iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

iv. Alternatively, if you are registered for NSDL e-services i.e. Internet Based Demat Account Statement (IDeAS), you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote on NSDL e-voting system.

v. Your User ID details are as follows:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	User ID
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

vi. Password details for shareholders other than individual shareholders are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you (See point "c" below). Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.

c) How to retrieve your 'initial password'?

- If your e-mail address is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, or the last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- In case you have not registered your e-mail address with the Company / Depository, please follow instructions mentioned below in this notice.

vii. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/ Password?": (If you hold shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password: (If you hold shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by the above two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

ix. Now, you will have to click on "Login" button.

x. After you click on the "Login" button, home page of e-voting will open.

B. Step 2: Cast your vote electronically on NSDL e-voting system.

i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

ii. Select "EVEN" of Shree Cement Ltd., to cast your vote during the remote e-Voting period.

iii. Now you are ready for e-voting as the Voting page opens.

iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and "Confirm" buttons when prompted.

v. Upon confirmation, the message "Vote cast successfully" will be displayed

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. General Guidelines for shareholders

i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option(s) available on www.evoting.nsdl.com to reset the password.

ii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for remote e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, pallavid@nsdl.co.in, Tel: 022-24994545/1800-222-990.

D. In case you have not registered your e-mail address with the Company / Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-voting:

Physical Holding	Visit the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a member may send an e-mail to Registrar & Share Transfer Agent (RTA) at rnt.helpdesk@linkintime.co.in. On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.
Demat Holding	**A. Individual shareholders holding securities** Please refer to the login method explained at step 1a. i.e. Login method for e-voting and voting during the meeting for Individual shareholders holding securities in demat mode. **B. Other than Individual Shareholders** Please contact your Depository Participant (DP) and register your e-mail address in your demat account as per the process advised by your DP or alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing details such as DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).

Note: In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-Voting facility.

21. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

22. The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's Equity Shares are listed (BSE Limited & National Stock Exchange of India Ltd.) and shall also be displayed on the Company's website www.shreecement.com and NSDL's website https://www.evoting.nsdl.com.

23. The Scrutinizer's decision on the validity or otherwise of the E-voting will be final. The relevant information w.r.t. voting by electronic means shall be under the safe custody of the Scrutinizer till the Chairperson considers, approves and signs the minutes.

24. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to refer to the Income Tax Act, 1961 (as amended from time to time) and circulars/ notifications issued thereunder for the applicable rates of tax to be deducted at source for various categories. Further the shareholders are requested to update their PAN with Link Intime India Private Limited (in case of shares held in physical mode) and DPs (in case of shares held in demat mode). The Company will be issuing a communication detailing information regarding deduction of tax at source on dividend distribution including action required from members prior to payment of dividend, separately.

25. Company shall provide the facility of live webcast of proceedings of Annual General Meeting. Members who are entitled to participate in the Annual General Meeting can view the proceeding of Annual General Meeting by logging on the e-voting website of NSDL at https://www.evoting.nsdl.com using their secure login credentials.

By order of the Board of Directors

S. S. KHANDELWAL
Company Secretary
(Membership No. F5421)

Place: Kolkata
Date: 21st May, 2022

ANNEXURE TO THE NOTICE DATED 21ST MAY, 2022

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

Item No. 5

M/s. Gupta & Dua, Chartered Accountants, New Delhi was appointed as Statutory Auditors of the Company for 5 (five) consecutive years to hold office from the conclusion of 38th Annual General Meeting ("AGM") of the members of the Company till the conclusion of the 43rd AGM. Accordingly, their present term gets completed on conclusion of this AGM (43rd AGM).

The Board of Directors of the Company at their meeting held on 21st May, 2022, on the recommendations of the Audit Committee, has approved the appointment of M/s B.R. Maheswari & Co LLP, Chartered Accountants as the Statutory Auditors of the Company for a term of 5 (five) consecutive years i.e. from the conclusion of this 43rd AGM till the conclusion of 48th AGM, subject to the approval of the Members of the Company. There is no material change in the remuneration paid to M/s Gupta & Dua, the retiring Statutory Auditors, for the statutory audit conducted for the year ended 31st March, 2022 and remuneration proposed to be paid to M/s B.R. Maheswari & Co LLP., for the year ending 31st March, 2023.

The Audit Committee after having considered various factors such as independence, industry experience, technical skills, audit team etc. has recommended to the Board for appointment of M/s B.R. Maheswari & Co LLP, Chartered Accountants as the Statutory Auditors of the Company for a term of 5 (five) consecutive years i.e., from the conclusion of this 43rd Annual General Meeting (AGM) till the conclusion of 48th AGM.

Further, in terms of Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received the written consent and a certificate from M/s B.R. Maheswari & Co LLP, Chartered Accountants that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. As required under Listing Regulations, M/s B.R. Maheswari & Co LLP, has confirmed that they hold a valid certificate issued by the Peer Review Board of Institute of Chartered Accountants of India (ICAI).

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the Members.

Item No. 6

The Board of Directors of Company at their meeting held on 21st May, 2022 on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. K. G. Goyal and Associates, Cost Accountants, Jaipur (Firm Registration No. 000024) to conduct the audit of cost records of the Company for the financial year ending on 31st March, 2023.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2023.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 6 of the Notice for approval by the Members.

Item No. 7

The Company has received a request under Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from Smt. Padma Devi Maheshwari (belonging to the Promoter Group), who is currently holding 600 equity shares constituting 0.0017% of the total paid up capital of the Company, for reclassification from "Promoter and Promoter Group" category to "Public" category with rationale for the said request. She has also confirmed with adequate description that she meets the eligibility criteria for reclassification as prescribed under Regulation 31A of Listing Regulations as follows:-

a) She does not hold more than ten percent of the total voting rights in the Company

b) She does not exercise control over the affairs of the Company directly or indirectly

c) She does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements

d) She is not being represented on the Board of Directors (including not having a nominee Director) of the Company

e) She is not acting as a key managerial person of the Company

f) She is not 'wilful defaulter' as per the Reserve Bank of India Guidelines

g) She is not a fugitive economic offender

Smt. Padma Devi Maheshwari has also undertaken that she shall comply with the conditions as set out in the Listing Regulations upon reclassification under "Public" category.

The request received for reclassification from Smt. Padma Devi Maheshwari was placed before the Board of Directors for its consideration in its meeting held on 21st May, 2022. The Board considered the request, analyzed it and approved her reclassification request subject to the approvals of the Members of the Company at the Annual General Meeting, Stock Exchanges (BSE Limited / National Stock Exchange of India Limited) and/ or such other authorities as may be required.

The Members are further informed that Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations and does not have any outstanding dues to the Securities and Exchange Board of India, the stock exchanges where its Equity shares are listed ("Stock Exchanges") or the depositories. Further, trading in the Equity shares of the Company has not been suspended by the Stock Exchanges.

The Pre and Post shareholding of Promoter and Promoter group after reclassification of Smt. Padma Devi Maheshwari, member of promoter group will be as under:-

Particulars	Promoter / Promoter Group Shareholding (No. of Shares)	%	Public Shareholdings (No. of Shares)	%
Pre Reclassification Share holding	2,25,69,797	62.55	1,35,10,951	37.45
Post Reclassification Share holding	2,25,69,197	62.55	1,35,11,551	37.45

In accordance with the Listing Regulations, Smt. Padma Devi Maheshwari and the persons related to her as defined under clause (b) of sub-regulation (1) of Regulation 31A of the Listing Regulations shall not vote on this resolution.

Except Shri Benu Gopal Bangur, Shri Hari Mohan Bangur and Shri Prashant Bangur, Directors of the Company being relatives of the person seeking reclassification, none of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 7 of the Notice for approval by the Members.

Item No. 8

Based on the recommendation of the Nomination cum Remuneration Committee (NRC), the Board of Directors of the Company has appointed Mr. Zubair Ahmed (DIN: 00182990) as an Additional Director of the Company, to hold office as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 21st May, 2022, subject to the approval of the Members of the Company. In accordance with the provisions of Section 161 of Companies Act, 2013 ("the Act") and Regulation 17(1C) of the Listing Regulations, Mr. Zubair Ahmed shall hold office as Additional Director up to the date of the ensuing Annual General Meeting or three months from the date of his appointment as an additional director, whichever is earlier and is eligible to be appointed as an Independent Director for a term of 5 (five) years w.e.f. 21st May, 2022.

In terms of provisions of Section 149 read with Schedule IV of the Act and Regulation 17 of the Listing Regulations, appointment of Independent Director requires approval of Members by way of a Special Resolution.

Mr. Zubair Ahmed is a senior business leader with outstanding credentials of over 40 years in managing businesses across Asia, Middle East and Africa.

He has completed his Under and Post Graduate degree from St. Stephen's College at Delhi University. He joined Unilever International in their Middle East Operations. After 15 years of a very successful career with Unilever across countries and increasing levels of responsibilities joined as Managing Director of Gillette India Ltd and then on to GSK Consumer Healthcare India Ltd as Managing Director. Thereafter, moved on to Singapore in 2015 as Head of GSK Consumer Health Care businesses across countries of Asia, Middle East and Africa and then subsequently appointed as Chairman of GSK Consumer Health Care India. Post retirement in 2018, he worked as advisors to some of the leading private equity and consumer companies in India.

His key strengths lie in putting together strategic high growth plans to unlock the true value of companies and their brands through a successful execution based on a clear understanding of the category, competition, organisational structure, its culture and competencies required for its success.

In terms of clause (1A) of Para A of Part D of Schedule II of the Listing Regulations, the Nomination cum Remuneration Committee confirms that Mr. Zubair Ahmed has the capabilities required in the Board of the Company as identified by it on the basis of the evaluation of the balance of skills, knowledge and experience on the Board of the Company.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and as per Regulation 16 of the Listing Regulations. In terms of Regulation 25(8) of Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He further confirmed the compliance of Rule 6 of the Companies (Appointment and Qualification of Directors) Rule, 2014 regarding inclusion of his name in the data bank of the Indian Institute of Corporate Affairs (IICA).

The Company has received a Notice in writing from a member of the Company as per the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Zubair Ahmed fulfils the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and is independent of the management.

A copy of draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company on all working days other than Saturdays from 2.00 P.M. to 5.00 P.M. up to the date of the AGM and is also available on the website of the Company at https://www.shreecement.com/uploads/investors/shareholder/letter-appointment-independent-directors.pdf.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at item no.8 of the Notice for approval by the Members.

Item No. 9

The existing Articles of Association were adopted by the Company at the time of its incorporation in 1979 based on the provisions of the erstwhile Companies Act, 1956. Subsequently, some of the clauses were amended/inserted from time to time to cater to specific requirements.

Consequent to the enactment of the Companies Act, 2013, the regulatory provisions have undergone comprehensive changes which has necessitated several amendments in Articles of Association of the Company including deletion of certain redundant Articles. Further, Companies Act, 2013 provides that in case of conflict with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the provisions of the Companies Act, 2013 will prevail. However, it is considered appropriate to amend the Articles of Association of the Company to bring it in line with the provisions of the Companies Act, 2013.

Accordingly, the Board of Directors of the Company at its meeting held on 21st May, 2022, recommended for approval of the Members for adoption of new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company, to make it consistent and align it with the provisions of the Companies Act, 2013 and the Rules made thereunder.

Copy of the proposed Articles of Association is available on the website of the Company at www.shreecement.com and would also be available for inspection by the members at the Registered Office of the Company on all working days other than Saturdays from 2.00 P.M. to 5.00 P.M. up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at item no. 9 of the Notice for approval by the Members.

Item No. 10 & 11

The Members of the Company in their meeting held on 30th July, 2018, had authorized the Board of Directors of the Company to borrow money up to ₹ 10,000 Crore in terms of Section 180(1)(c) of the Companies Act, 2013. Further, members had also authorized the Board of Directors of the Company in term of Section 180(1)(a) of the Companies Act, 2013 to create mortgage / charge/hypothecate its movable and immovable properties of the Company as security in favour of lending agencies up to the said amount.

Keeping in view of growing operations of the Company, it is proposed to increase the current Borrowing Limit of ₹ 10,000 Crore to ₹ 20,000 Crore with similar increase in approval accorded for creation of mortgages/charges/ hypothecations/pledge/security of all or any movable and/or immovable properties of the Company, both present and future.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolutions set out at Item No. 10 & 11 of the Notice for approval by the Members.

By order of the Board of Directors

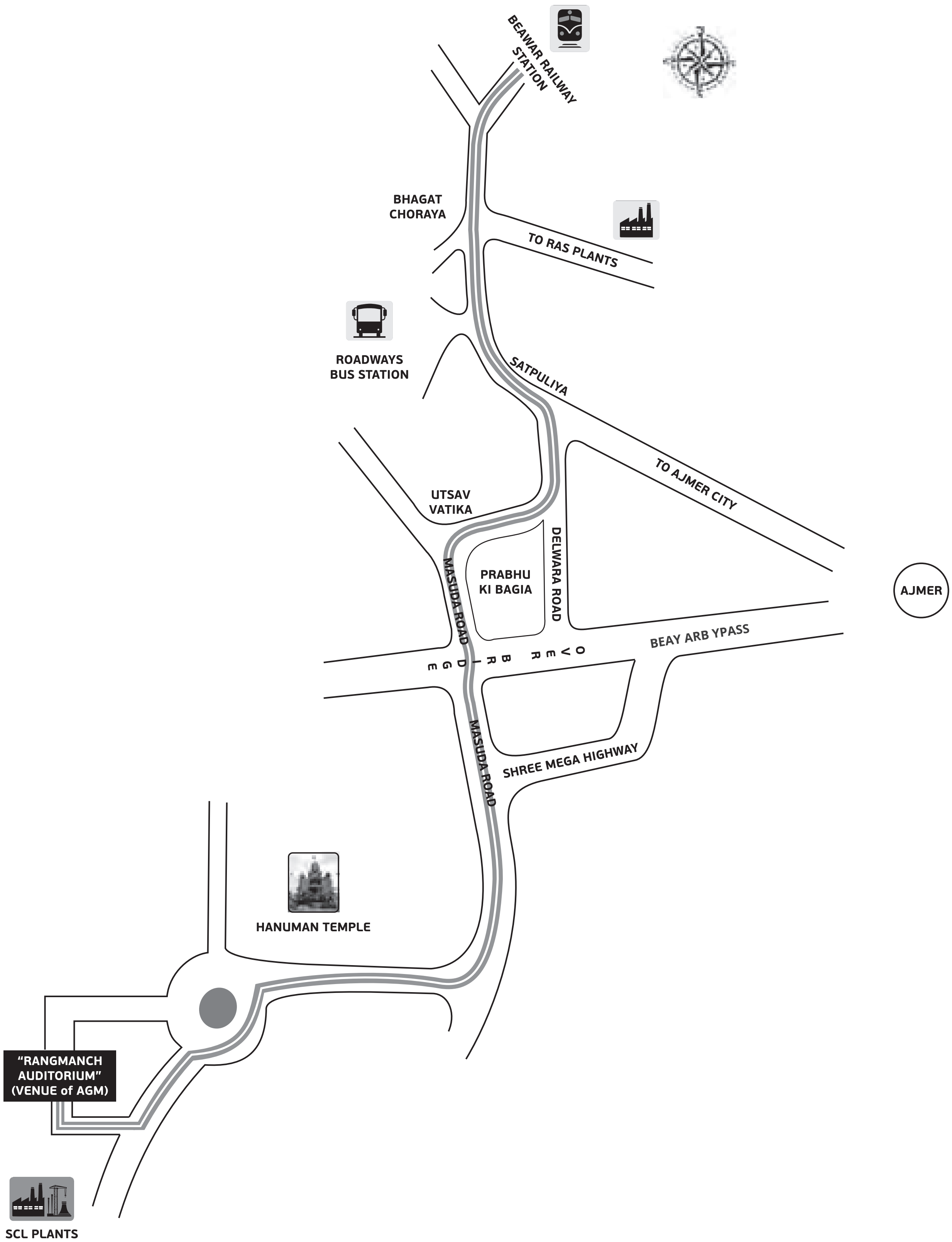
S. S. KHANDELWAL
Company Secretary
(Membership No. F5421)

Place: Kolkata
Date: 21st May, 2022

ANNEXURE A - TO ITEM NO. 4 & 8 OF THE NOTICE

SN	Nature of Information	Item No. 4 of Notice	Item No. 8 of Notice
1	Name	Prakash Narayan Chhangani (DIN: 08189579)	Zubair Ahmed (DIN: 00182990)
2	Date of Birth / Age	20th August, 1960 (62 Years)	16th May, 1953 (69 Years)
3	Nationality	Indian	Indian
4	Date of First Appointment	30th July, 2018	21st May, 2022
5	Qualification	Bachelor of Science - Chemical Engineering	Bachelor of Arts – History with Political Science and Economics as subsidiaries, Master of Arts – History
6	Experience and Nature of expertise in specific functional area	Having vide experience of cement and associated Industries. Capability of handling various diverse issues relating to cement project implementation and operations	Having vast experience of Business Management and expertise in branding and marketing.
7	Relationships between Directors / KMP inter-se	-	-
8	Shareholding in the Company (including as Beneficial Owner)	Nil	Nil
9	No. of Board meetings attended during the year	FY 2021-22 : 4 (Four)	FY 21-22: Nil (Appointed as Independent Director w.e.f 21st May, 2022)
10	Directorship in other Companies	Shree Cement Foundation	Shaafi Naturcure LLP – Designated Partner
11	Chairmanship / Membership of Committee of Board of Directors of the Company	**Shree Cement Ltd.** • Corporate Social and Business Responsibility (CSBR) Committee - Member • Risk Management Committee – Member	Nil
12	Chairmanship / Membership of Committee of Board of Directors of other Companies	Nil	Nil
13	Listed entities from which the person has resigned in past three years	Nil	Nil
14	Terms and conditions of appointment/ reappointment along with details of remuneration sought to be paid	As approved by the Members through postal Ballot notice dated 22nd January, 2019 and 19th October, 2019, passed on 8th March, 2019 and 18th November, 2019, respectively.	As provided in Item No. 8 of Notice of this 43rd AGM.
15	Remuneration last drawn, if any	Last remuneration drawn is provided in Corporate Governance Section of the Annual Report	Not Applicable
16	Skills and capabilities required for the role and manner in which the requirements are met with and Justification for the appointment	Not Applicable	The Nomination cum Remuneration Committee has identified among others, strategic planning, understanding of the Business/Industry and financials, marketing strategy and oversight of risk and regulatory compliances as the skills required for the role of Director. Mr. Zubair Ahmed has the said requisite skills and capabilities for the Role as Independent Director of the Company.

ROUTE MAP TO THE VENUE OF THE 43RD AGM OF THE COMPANY



SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: shreebwr@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

Dear Shareholder,

Subject: Registration of your E-mail ID with the Depository Participant / Company

The Companies Act, 2013 allows the companies to send annual report /notices/ documents and other communication to shareholders through electronic mode and also provides that an advance opportunity at least once in a financial year to be given to the members for registering their e-mail addresses and changes therein.

Your Company, accordingly, proposes to effect delivery of annual report/notices/documents and other communication, from time to time, in electronic mode through e-mail, to those members who have provided their e-mail address. Your Company therefore requests you to register your e-mail address with your Depository Participant/Company to receive annual report /notices/documents and other communication in electronic form.

The members are requested to notify the change, from time to time, in their e-mail address to the concerned depository (in case of dematerialized shares) or to the Company/Registrar and Share Transfer Agent (in case of physical shares), as the case may be.

Thanking you,

Yours faithfully,

S.S. KHANDELWAL
Company Secretary
Encl: E-Mail Registration Form

E-Mail Registration Form

(For members holding shares in physical form only)

To,

Link Intime India Private Limited
Unit: Shree Cement Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai 400 083
Tel. No.: 022-49186270

M/s. Shree Cement Limited,
Secretarial Department,
Bangur Nagar,
Beawar-305 901,
Distt. Ajmer (Rajasthan)

Folio No.: ....

Name of the Registered Holder(s):...

E-Mail address: ....

Contact No.: ....

I/We, member(s) of Shree Cement Limited hereby give my/our consent to receive the annual report/notices/documents and other communications, from time to time, in electronic mode through my/our above e-mail address.

....
Signature Registered Holder(s)

Place:

Date:

SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: shreebwr@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

FORM NO. MGT -11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): ....

....

Registered Address: ....

E-mail ID: ....

Folio No./DP ID and Client ID: ....

I/We, being the Member(s) having .... shares of the above named Company, hereby appoint:-

1. Name: .... E-mail ID: ....

   Address: ....

   Signature: ....or failing him/her

2. Name: .... E-mail ID: ....

   Address: ....

   Signature: ....or failing him/her

3. Name: .... E-mail ID: ....

   Address: ....

   Signature: ....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual General Meeting, to be held on **Thursday, the 28th July, 2022, at 12:15 P.M.** at the Registered Office of the Company at 'Rangmanch Auditorium', Bangur Nagar, Beawar - 305 901, District: Ajmer (Rajasthan) and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description	For*	Against*
1.	To receive, consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon; and b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 and the Report of the Auditors thereon.		
2.	Confirmation of payment of Interim Dividend of 45/- per equity shares for the financial year ended 31st March, 2022.		
3.	To declare Final Dividend on equity shares of the Company for the financial year ended 31st March, 2022.		
4.	Reappointment of Shri Prakash Narayan Chhangani, Director of the Company, retires by rotation.		
5.	Appointment M/s. B.R. Maheswari & Co. LLP, Chartered Accountants as statutory auditors of the Company and to fix their remuneration.		
6.	Ratification of remuneration of M/s. K. G. Goyal and Associates, Cost Accountants as Cost Auditors of the Company for the financial year ending on 31st March, 2022.		
7.	Reclassification of Smt. Padma Devi Maheshwari from the 'Promoter Group' category to the 'Public' category.		
8	Appointment of Mr. Zubair Ahmed as Independent Director of the Company for 5 (Five) years w.e.f. 21st May, 2022		
9.	Adoption of new set of Articles of Association of the Company		
10.	Increase in Borrowing limits from ₹ 10,000 Crore to ₹ 20,000 Crore		
11.	Creation of Charge/ hypothecation/ pledge/ mortgage/ security over movable and / or immovable properties of the Company, both present and future, in respect of the borrowings upto ₹ 20,000 Crore		

* Please put a (√) in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ....day of .... 2022.

....
Signature of Shareholder

Affix ₹ 1
Revenue
Stamp

.... Signature of first proxy holder

.... Signature of second proxy holder

.... Signature of third proxy holder

Notes:

1. **THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. A Proxy need not be a Member of the Company.
3. In case the Member appointing Proxy is a body corporate, the Proxy Form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the Proxy Form.
4. A person can act as Proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a Proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

SHREE CEMENT LIMITED

Registered Office: Bangur Nagar, Beawar-305 901, District: Ajmer (Rajasthan)
Phone: EPABX +91-1462-228101-6 **Fax:** +91-1462-228117/119
E-Mail: shreebwr@shreecement.com **Website:** www.shreecement.com
CIN: L26943RJ1979PLC001935

ATTENDANCE SLIP
43RD ANNUAL GENERAL MEETING

(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE)

Serial No. :

Name and Registered Address	:
Name of Joint Holder(s)	:
DP ID & Client ID / Folio No.	:
No. of Shares held	:
Name of Proxy/Representative, if any	:

I/We hereby record my/our presence at the **43rd Annual General Meeting** of the Members of the Company on **Thursday, 28th July 2022 at 12:15 P.M.**, at “Rangmanch Auditorium”, Bangur Nagar, Beawar - 305901, District: Ajmer (Rajasthan).

....
Signature of Member/Proxy/Representative

Note: Shareholders/Proxies/Representatives are requested to produce this Attendance Slip, duly signed for admission to meeting venue. The admission may, however, be subject to further verification/checks, as may be deemed necessary.