



SRI CHAKRA CEMENT LIMITED

Admn. Office : "CONCRETE HOUSE"
6-3-668/10/66, Durga Nagar Colony,
Punjabgutta, Hyderabad - 500 082.
Tel : (O) 040-66612374, 66614633
Fax : 040-23404657
E-mail : srichakracement@gmail.com
CIN No : L40300AP1981PLC002952

Date: 23rd August, 2021

To
The Deputy General Manager,
Corporate Relationship Department,
The Stock Exchange, Mumbai,
1st Floor, New Trading Ring, Rotunda Building,
P.J.Towers, Dalal Street, Fort,
Mumbai – 400001
Fax: 022 22723121

Scrip Code: BSE: 518053

Dear Sir,

Sub: Submission of Annual Report including Notice of AGM for the Financial Year 2020-2021 under Regulation 34 of Securities and Exchange Board of India (LODR), Regulations, 2015.

With reference to the subject cited and in compliance of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby furnish the Notice of the 39th Annual General Meeting to be held on 16th day of September, 2021 at 12:00 Noon through Video Conferencing/Other Audio-Visual mode and the Annual Report for the financial year 2020- 2021.

This is for your information and records.

Thanking You

Yours faithfully,

For Sri Chakra Cement Limited


P Rajendra Babu

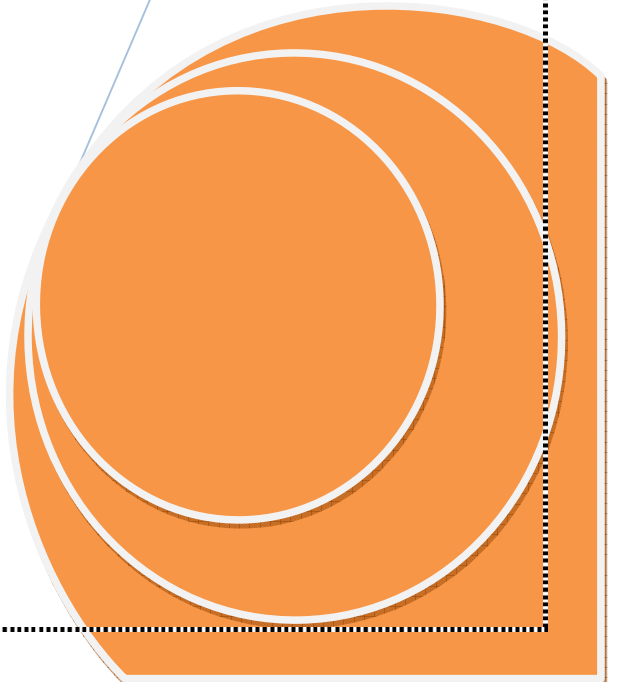
Company Secretary & Compliance Officer

Encl: a/a



**SRI CHAKRA
CEMENT LTD**

**Annual Report
2020-2021**





**SRI CHAKRA CEMENT LIMITED
39TH ANNUAL REPORT FOR 2020-21**

BOARD OF DIRECTORS

| | | |
|--|---|---|
| Sri N Krishna Mohan Chairman Cum Managing Director | Sri K Vijay Kumar Joint Managing Director | Sri V V S R Anjaneyulu Executive Director |
| Smt K V Nagalalitha Director | Sri P Ramamoorthy Independent Director | Sri K P Patnaik Independent Director |
| Dr A S Narayana Independent Director | Sri N Gopal Independent Director | Sri K.Sriram Executive Director |
| Sri Anantham Parlapalli (w.e.f 19.04.2021) Professional Director | | |

MANAGEMENT TEAM

| | | |
|--|---|---|
| Sri P. Rajendra Babu, Company Secretary & Compliance Officer | Sri NSRV Prasad Chief Finance Officer | Sri C Shankar Rao Director (Mktg) |
| Sri T Ramasuri GM (Comml) | V.Sarveswara Rao GM (Mktg) | K.Chenna Keshav Rao GM (Works) |

| STATUTORY AUDITORS | SECRETARIAL AUDITORS | COST AUDITORS | INTERNAL AUDITORS |
|---|---|--|--|
| Satyanarayana & Co, Chartered Accountants Hyderabad | P Jagannatham & Co, Pract.Comp. Secretaries Hyderabad | Bisati & Co Cost Accountants Hyderabad | C Ramachandram & Co, Chartered Accountants Hyderabad |

REGISTERED OFFICE

D.No.27/4/1, Kannavari Thota,
1st Floor, Beside Central Excise Office,
Guntur, A.P.-522104
Ph: 040-66614633, Fax: 04023404657, Email: srichakracement@gmail.com

HEAD OFFICE

6-3-668/10/66, Durganagar Colony,
Punjagutta, Hyderabad
Telangana State- 500 082
Website: www.srichakracement.com

FACTORY AND WORKS

Unit- 1: Sri Narasimhapuri, Karempudi
Guntur District, AP
Unit-II: Alamanda, Vizianagaram Dt,
Solar Unit: Srikalahasti, Chittoor Dt AP

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Venture Capital and Corporate Investments Private Ltd, 12-10-167, Bharat Nagar Colony, Hyderabad,
Ph:040 23818475, Email: investor.relations@vccipl.com, website: www.vccipl.com

**NOTICE**

Notice is hereby given that the 39th Annual General Meeting of the members of Sri Chakra Cement Limited will be held on Thursday the 16th day of September 2021 at 12.00 NOON through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, to transact the businesses mentioned below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM in accordance with the Secretarial Standards

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2021 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To Appoint a director in place of Sri N. Krishna Mohan (DIN: 00698772) who retires by rotation and being eligible, offers himself for re appointment.
3. To Appoint a director in place of Smt. K. V. Naga Lalitha (DIN: 02223430) who retires by rotation and being eligible, offers herself for re appointment.

SPECIAL BUSINESS:

4. **Change in designation of Sri K. Vijay Kumar from Joint Managing Director to Managing Director of the Company.**

To consider and if though fit, to pass with or without modification, the following resolution as Special Resolution.

"RESOLVED THAT in partial modification of the earlier resolution approved by the shareholders at the previous Annual General Meeting, Sri Vijay Kumar Kapilavai (DIN: 00769568) who was appointed as Joint Managing Director for a period of five years from 1st October 2019 to 30th September 2024, be and is hereby re-designated as Managing Director of the Company effective from 10th August, 2021".

"RESOLVED FURTHER THAT except for the change in designation mentioned above, all other terms and conditions of his appointment as approved by the shareholders at the previous Annual General Meeting, held on 17th December, 2020 remain unchanged".

5. **Appointment of Sri Anantham Parlapalli as Director of the Company.**

To consider and if though fit, to pass with or without modification, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to provisions of Section 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri Anantham Parlapalli (DIN: 09151997) who was appointed as an Additional Director with effect from 19.04.2021 pursuant to provisions of section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting ('AGM') and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and hereby appointed as Director of the Company at the remuneration of Rs 1,50,000/- per month for the services being rendered to the company in the capacity of professional Director".

6. **Appointment of Sri K Sriram as Executive Director of the Company.**

To consider and if though fit, to pass with or without modification, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to provisions of Section 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri K Sriram (DIN: 05103429) who was appointed as an Additional Director with effect from 19.12.2020 pursuant to provisions of section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting ('AGM') and in respect of whom the company has received a notice in writing under section 160 of



the Companies Act, 2013 proposing his candidature for the office of Director, be and hereby appointed as Executive Director of the Company at the remuneration not exceeding Rs 36,00,000/- per annum for the services being rendered to the company”.

7. Ratification of M/s Bisati & Co, Cost accountants as Cost Auditors for the year 2021-2022

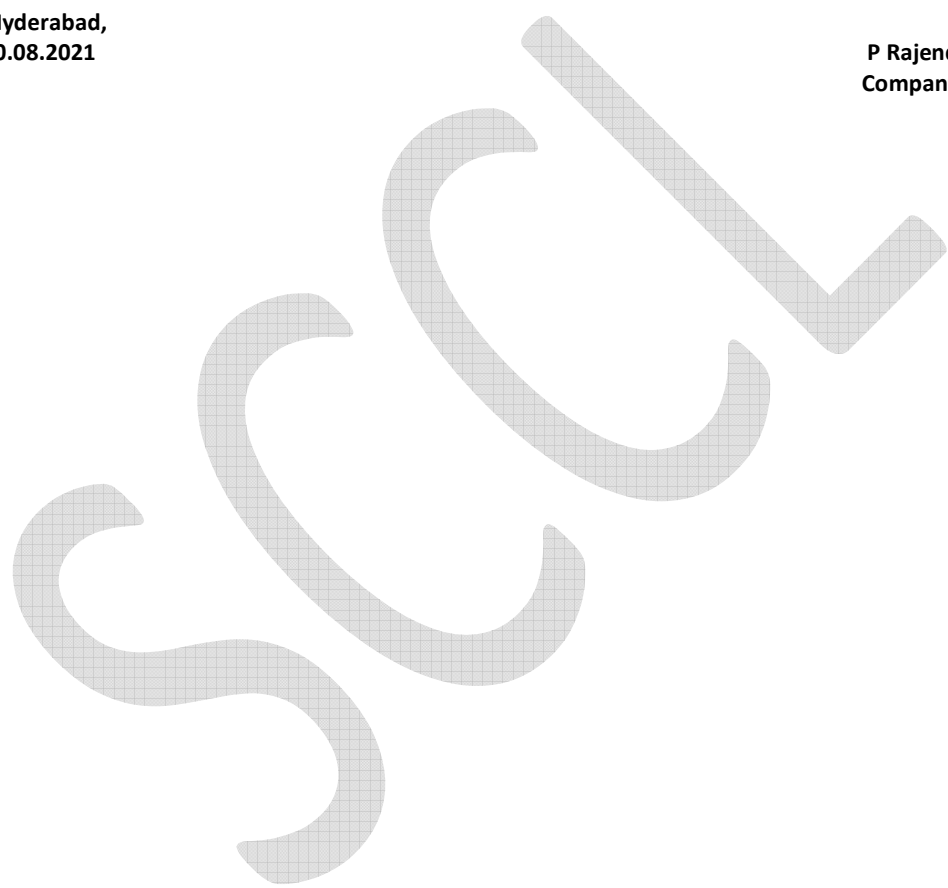
To consider and if thought fit, to pass the following resolution as an ordinary Resolution

“RESOLVED THAT pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the remuneration payable to M/s. Bisati & Co., Cost Accountants, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the company for the financial year 2021-2022 amounting to Rs. 1,00,000/- (Rupees One Lakh only) plus GST as applicable and re-imbusement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

Place: Hyderabad,
Date: 10.08.2021

By Order of the Board
For Sri Chakra Cement Limited

P Rajendra Babu
Company Secretary



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO: 4 OF THE NOTICE**

The shareholders vide special resolution on 17th December, 2020 approved the re-appointment of Sri K Vijay Kumar as Joint Managing Director of the Company for a period of five years w.e.f. 1st October, 2019 to 30th September, 2024. The terms and conditions of his re-appointment, including remuneration were approved by the shareholders in accordance with the provisions contained in Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013.

Pursuant to the recommendation by the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 10th August, 2021, has re-designated Sri K Vijay Kumar as the Managing Director of the Company w.e.f. 10th August, 2021. Since, the designation of Sri K Vijay Kumar was specifically mentioned as Joint Managing Director in the earlier resolution dated 17th December, 2020 approved by the shareholders, this resolution is being proposed to partially modify the same. Except for the change in designation, all other terms and conditions as approved by the shareholders on 17th December, 2020 remain unaltered.

None of the Directors except Sri Vijay Kumar Sri N.Krishna Mohan, Smt K.V.Naga Lalitha and K.Sri Ram is concerned and interested in the resolution.

ITEM NO: 5 & 6 OF THE NOTICE

Sri. Anantham Parlapalli was & Sri K Sriram were appointed as an Additional Director by the Board with effect from 19.04.2021 and 19.12.2020 respectively in accordance to the provision of section 161 of the Companies Act 2013 and holds the office up to the date of Annual General Meeting of the Company. Notice has been received from a member as required by Section 160 of the Act, signifying its intention to propose the candidature of Sri. Anantham Parlapalli & Sri K Sriram for the office of Director.

Sri. Anantham Parlapalli & Sri K Sriram are not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given their consent to act as a Director.

The Board of Directors recommend the resolution no 5 & 6 for approval of the members.

Brief Resume of Sri. Anantham Parlapalli & Sri K Sriram and nature of their expertise in specific functional areas and names of companies in which he holds directorship and memberships/chairmanships of Board Committees, shareholding as stipulated under SEBI (LODR) Regulations, 2015, is forming part of the Annual Report

This Explanatory Statement may also be regarded as a disclosure under Regulation 27 of the SEBI (LODR) Regulations, 2015.

None of the other Directors/Key Managerial personnel of the Company/ their relatives except the person being appointed are, in any way, concerned or interested, financially or otherwise in the resolution set out at item no.5 & 6 of the Notice.

ITEM NO: 7 OF THE NOTICE: The Board of Directors of the Company on 30.06.2021, appointed M/s Bisati & Co, Cost Accountants for conducting cost audit for the year 2021-22 at a remuneration of Rs 1,00,000 /- In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as approved by the Board of Directors, has to be ratified by the members of the Company. The Board recommends for your approval at the ensuing annual general meeting. None of the directors is interested in the resolution.

By Order of the Board
For Sri Chakra Cement Limited

Place: Hyderabad,
Date: 10.08.2021

P Rajendra Babu
Company Secretary



Mandatory Compliance on the part of the Shareholders
KYC UPDATION FORM

To
Venture Capital and Corporate Investments Private Limited
Unit:
12-10-167, Bharat Nagar,
Hyderabad – 500 018

Date: _____

Dear Sir,

In terms of SEBI Circular dated 20/04/2018 and rules made their under, I wish to inform you that update my details given below in your records and I enclosed herewith self-attested copy of my PAN& Aadhar Cards and original cancelled cheque leaf/Bank Passbook or Bank statement duly attested by Bank.

General Information:

| | | | |
|---|--|-----------|--|
| Folio No. | | | |
| Name of the Sole / First Holder: | | | |
| PAN No. | | Aadhar No | |
| Aadhar Number | | | |
| Father's Name | | | |
| Address 1 | | | |
| Address 2 | | | |
| Address 3 | | | |
| Address 4 | | | |
| Pin Code | | | |
| Mobile No | | | |
| Email Id | | | |
| Bank Account no. | | | |
| Bank Name | | | |
| Branch Address | | | |
| IFSC Code | | MICR Code | |
| 2nd Holder Name | | | |
| PAN No. | | Aadhar No | |
| 3rd Holder Name | | | |
| PAN No. | | Aadhar No | |

I/We hereby state that the above-mentioned details are true and correct.

Sole/ First Holder Name: _____ Signature: _____

2nd Holder Name: _____ Signature: _____

3rd Holder Name: _____ Signature: _____

Note: 1. If any change in your details already submitted to us, kindly fill the changes in the form along with supporting documents.

2. Your details have already submitted to us we have marked as Registered in the respective column, the other details to be submitted to us along with supporting documents.

3. For residents of Sikkim provide self attested copy of Aadhar Card/Passport instead of PAN Card.



Form No.SH-13 Nomination Form

{Pursuant to section 72 of the Companies Act,2013 and rule 19(1) of the Companies (Share Capital and Debentures Rules 2014

To,
Venture Capital and Corporate Investments Private Limited
Unit:-12-10-167,Bharat Nagar,Hyderabad-500 018

I/We _____ and _____ and _____ the holders of shares bearing Certificate Nos _____ of _____ Equity shares of _____ bearing distinctive number(s) from _____ to _____ registered under Folio no. _____ wish to make a nomination and do hereby nominate the following person in whom all rights of transfer and or amount payable in respect of said shares shall vest in the event of my/our death:

| S.No. | Name of the Nominee | Father/Husband Name | Address of the Nominee | Signature of the Nominee |
|-------|---------------------|---------------------|------------------------|--------------------------|
| 01 | | | | |

In case the nominee is a Minor then

a) Date of Birth of the Minor : _____

b) Specimen Signature of the Guardian : _____

c) Name and address of the Guardian : _____

Signature of Witness (1)

Name : _____

Address : _____

Signature of Shareholder(s)

Name : _____

Address : _____

Date : _____

Signature of Witness (2)

Name : _____

Address : _____

Place : _____

Instructions:

1. The Nomination can be made by individuals only/applying/holding shares on their own behalf singly or jointly, Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form. Space is provided as a specimen, if there are more joint holders, more sheets can be added for signatures of holders of shares and witness.
2. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian shall be given by the holder.
3. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of share.
5. Transfer of share in favour of a nominee shall be valid discharge by a Company against the legal heir.
6. The intimation regarding Nomination/Nomination Form shall be filed in duplicate with company/Registrar and Share Transfer Agent of the Company who will return one copy thereof to the shareholder.

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, and social distancing norm to be followed, the Government of India; Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting (AGM) through VC/ OAVM. In terms of the said circulars, the 39th Annual General Meeting (AGM) of the members of the Company will be held through VC/OAVM so as to enable the members to attend and participate in the AGM through VC/OAVM. The Members are requested not to visit Corporate Office / Registered Office to attend the AGM.
2. Printed copy of the Annual report (Including Notice) is not being sent to the Members in view of e-AGM Circular.
3. The detailed procedure for participation in the meeting through VC/OAVM is available at the Company's website www.srichakracement.com.
4. The Notice can also be accessed from the websites of the Company at <http://srichakracement.com/Admin/Files/SCCL-ANNUAL%20REPORT%20-%202020-21.pdf>, Stock Exchange BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) www.evotingindia.com
5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Pursuant to Section 112 and Section 113 of the Companies Act, 2013, representatives of the President of India or the Governor of State or the Body Corporates are entitled to attend the AGM through VC/OAVM and cast their votes through e-voting.
6. **The Register of Members and Share Transfer Books of the Company shall remain closed on Friday the 10th day of September, 2021 to Thursday, the 16th day of September, 2021 (Both days inclusive) for the purpose of the Annual General Meeting.**
7. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the **Cut-off date i.e. Thursday, the 09th September, 2021.**
8. The Company has appointed CS P. Jagannatham, Corporate Advocate, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
9. Members holding shares in electronic form and in physical form are hereby informed that the members desirous of either registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Share Transfer Agent.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.
12. Details in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment
13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode by sending an e-mail to srichakracement@gmail.com



14. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 (Seven) days before the date of the Meeting so that the information required may be made available at the Meeting.

15. The Company is pleased to provide members, facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

16. Notices/ documents including the Annual Report are now being sent by electronic mode to the shareholders whose e-mail address has been registered with the Company. Members who would like to receive such notices/documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail address.

- ❖ In respect of electronic shareholding – through their respective Depository Participants.
- ❖ In respect of physical shareholding – by sending a request to the Company's Share Transfer Agent at M/s Venture Capital & Corporate Investments Limited, 12-10-167, Bharatnagar Colony, Hyderabad-500018, Tel No.040-23818475/76, Email ID: investor.relations@vccipl.com, mentioning therein the Company's name i.e., Sri Chakra Cement Limited, their folio number and e-mail address.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The ensuing AGM is thus being held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.srichakracement.com The Notice can also be accessed from the websites of BSE Limited at www.bseindia.com . The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e., www.evotingindia.com.
6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.



7. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 13th September, 2021 at 10.00 A.M and ends on 15th September,2021 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 9th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |



| | |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. 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. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
|--|---|

| | |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.



6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. | |
|---|--|
| PAN | Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; aslhyd9@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.



**DETAILS OF DIRECTORS SEEKING APPOINTMENT/
RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING
(Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the
brief profile of Directors eligible for re-appointment vide item no. 2 is as follows:)**

| Name of the Director | Sri N. Krishna Mohan | Smt. K. V. Naga Lalitha |
|--|---|--|
| Date of Birth | 01/07/1940 | 19/09/1972 |
| Nationality | Indian | Indian |
| Date of Appointment on the Board | 28/09/2011 | 30.03.2015. |
| Qualifications | Commerce Graduate Professional Qualifications, iz. ACMA and ACS | M.A. |
| Expertise in specific functional area | He has about more than Four Decades of experience in the Management of the Affairs of the Company. | She has about more than 25 years of Industrial Experience. |
| Number of shares held in the company | 4890 Equity Shares | 2405760 Equity Shares |
| List of the directorships held in other companies | 1..Aditya Spinners Limited 2.Krishna Rama Industrial Investments Limited. 3. Saketh IT Solutions Private Limited 4.Jitharam Finance and Investments Limited 5. Sri Narsimha Cements and Power Limited | 1. Prabhu Cements Limited 2. Envean Leasing and Investments Limited. 3. Krishnarama industrial investments limited. 4. Aditya Spinners Limited. |
| Chairman / Member in the committees of the Boards of companies in which he is Director | NIL | 2 |

| Name of the Director | Sri K.Sriram | Anantham Parlapalli |
|--|---|---|
| Date of Birth | 05/04/1992 | 24/02/1957 |
| Nationality | Indian | Indian |
| Date of Appointment on the Board | 19/12/2020 | 19/04/2021 |
| Qualifications | M tech.Engineer Master in Industrial Engineering. | B.Tech (Chemical Engineering) |
| Expertise in specific functional area | Technical Consultant with experience in Cement Manufacturing & Solar Power. Involved in P V Yarn Manufacturing for the Past 2 Years | 39 years of experience in Cement Industry operations. |
| Number of shares held in the company | 100 Equity Shares | NIL |
| List of the directorships held in other companies | 1. Envean Leasing and Investments Limited. | NIL |
| Chairman / Member in the committees of the Boards of companies in which he is Director | NIL | NIL |

**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Dear Members,

We have pleasure in presenting this 39th Annual Report of the Company together with the Audited Statements of Accounts, Management Discussion and Analysis for the year ended 31st March, 2021.

Financial Results:

| Particulars | ₹ In Crs | |
|--|-----------|-----------|
| | 2020-2021 | 2019-2020 |
| Revenue from operations (Rs in Crs) | 187.54 | 140.89 |
| Profit Before Interest, Depreciation and Taxes | 19.86 | (4.70) |
| Profit before tax | 9.62 | (11.77) |
| Tax Expense | - | - |
| Comprehensive Income | (0.04) | (0.06) |
| Total Comprehensive Income | 9.58 | (11.83) |

During the year under review, compared to the performance of previous year, the clinker production quantity has increased by 22.43% cement production has increased by 15.80% and cement sale quantity has increased by 16.65%. The revenue from operations increased by 33.11% due to demand in market as well as increase in net price realisation. The PBDIT increased by Rs 24.56 Crores due to increase in Net realisation per Bag @ Rs.37.12.

Cement Industry Structure, Developments and future outlook

During the year under review, the world economy has shown a growth of over 3.5%, a very promising growth trajectory. However, in the long term any positive growth will have to be substantiated with suitable trade and investment policies. The Indian scenario has also been promising and almost in line with the growth of the world economy. The Government has announced a setting up of affordable housing fund and Prime Minister Awas Yojana scheme, consequent to which the interest rates for housing sectors will come down providing relief to many and thereby the aim of Government in infrastructure development will turnaround in the demand and growth of the Cement Industry. However, with this, the additional capacities that have come up in various states, both greenfield and brownfield, have created a scenario of extreme competition in the Cement Industry. The excess supply situation thus created would further adversely impact the price realisation. The ever-increasing cost of coal has also added to the stifling scenario in the Cement Industry. Without substantial increase in demand in the last few years, the Cement industry has been facing a twin fold blow, by not being able to absorb its fixed cost completely due to lower capacity utilizations and dealing with reducing price realization.

State Of Company's Affairs:

During the year under review, compared to the performance of previous year, the clinker production quantity has increased by 22.43% cement production has increased by 15.80% and cement sale quantity has increased by 16.65%. The revenue from operations increased by 33.11% due to demand in market as well as increase in net price realisation. The PBDIT increased by 24.56 Crores due to increase in Net realisation per Bag @ Rs 37.12. During the year under review, the Company's profitability is impacted due to heavy competition created by the major players in the industry by way of addition of huge capacities in and around the plant area. However, in order to meet such competition, your company has initiated efforts to reduce the cost of production on account of power and fuel as a part of which the Company has already setup captive solar power generation unit at Srikalahasti with a total installed capacity of 5 MW for with an investment of about Rs 30 Crores

Management Outlook of Macro Economy And Industry:

There were positive signs of improvement observed in 4th quarter of 2020-21. But the same was short lived as lockdown of the country due to COVID-19 virus halted the growth momentum. The Government undertook unique measure of rationalizing income tax rates to boost fresh investments by corporates in the country. This measure is yet to yield its results. RBI on its part also undertook much needed measures of rationalizing its policy rates and increased the liquidity in the banking system. However, this did not lead to meaningful contraction of interest rates for majority of borrowers. On the external front, the INR which remained mostly stable during most part of the year on the back of strong FDI flows and declining crude oil prices, weakened towards close of the year due to impact of COVID-19 virus. Overall, the Indian economy is expected to witness a growth rate of around 5% for the year 2021-22 which shall be the lowest witnessed since the Global financial crisis in 2008-09. This is largely because of low performance by manufacturing, construction and mining sectors. The lockdown imposed in the country as a result of COVID-19 virus has had an unprecedented impact on the entire economy of the country. The month of April 2020 was virtually a complete standstill. There is uncertainty as to how long the impact of pandemic is expected to continue and when one can witness normalcy returning to the economy. Overall, outlook for the economy in the near term is not encouraging. However, in past also, Indian economy showed strong recovery in the face of global financial crisis. With our robust and large consumer base, expected fiscal stimulus from the Government and timely



interventions from RBI, India will soon be on rapid recovery path. We, therefore, believe that in the medium to long term the Indian economy will emerge stronger from this crisis.

Cement Industry – Development and Outlook:

While challenging macro-economic conditions coupled with lower infra spending by Governments impacted cement demand, individual housing building segment continued to show good traction. The nation-wide lockdown due to COVID-19 pandemic however affected cement demand in the financial year 2020-21. Based on cement production data for 11 months upto Mar 2021 and expected production for Mar2022, cement production during 2021-22 is expected to remain at around same level as that of 2020-21. The COVID-19 pandemic has dented the cement demand because of nation-wide lockdown and resultant dip in the overall economic activities. The uncertainty around the continuation of the impact of the pandemic makes it difficult to make any proposition about the outlook for the near future. While short term outlook is uncertain, the long-term outlook of the cement industry continues to be positive on account of the various economic reforms, increasing aspirations, sustained consumption momentum and persistent infra spending.

Board of directors, Key managerial personnel and changes during the year:

The Board is duly constituted and balanced as required under the Companies Act, 2013 and the Listing Regulations/Agreement read with the policy of the Board of Directors appointment and remuneration in terms of the provisions of Section 134(3)(e), read with sub-section (3) of Section 178 of the Companies Act, 2013. During the year Under review, Sri N. Krishna Mohan and Smt K.V. Naga Lalitha will be retiring at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

During the Financial year under review, Sri K Sriram has been appointed as Executive Director of the Company w.e.f 19th December, 2020.

Sri Anantham Parlapalli was appointed as an Additional Director by the Board with effect from 19.04.2021. The Board recommends the appointment of Sri Parlapalli Anantham as a Professional Director.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

- ❖ In the preparation of Annual Accounts, the applicable accounting standards had been followed and there are no material departures from the same.
- ❖ The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and Fairview of the state of affairs of the company at the end of the financial year and the profit and loss of the company for that period.
- ❖ Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- ❖ Annual accounts were prepared on a going concern basis., and
- ❖ Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- ❖ The proper system was devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The company has received necessary declaration from all independent Directors under section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence laid down in section 149(6) of the Companies Act, 2013.

BOARD MEETINGS:

The Board met seven times during the year under review and the particulars of meeting held and attended by each Director are detailed in the Corporate Governance Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION.

The company's policy lays down the criteria for determining qualifications, positive attributes, Independence of a director and other matter as provided under sub-section (s) of section 178 of the Companies Act, 2013.

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board in terms of the provisions of section 178. The Board consists of four executive directors and one non executive director and five independent Directors. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the company.

**AUDIT COMMITTEE:**

Pursuant to the provisions of section 177 of the of the Companies Act, 2013 the company board constituted the audit committee with the following directors.

- Sri P Ramamoorthy, Non-Executive Independent Director as Chairman.
- Sri N Gopal, Non-Executive Independent Director
- Smt. K. V. Naga Lalitha, Non-Executive Director.

AUDITORS:

- ❖ Statutory Auditors: At the 37th Annual General Meeting held on 23rd day of September 2019, M/s Satyanarayana & co Chartered Accountants were appointed as statutory auditors of the company to hold office for a period of five years i.e., till the conclusion of 41st Annual General Meeting of the Company. In this regard, the company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of section 141 of the of the Companies Act, 2013.
- ❖ **Cost Auditors:** M/s Bisati & Co, Cost Accountants are the Cost Auditors appointed by the company Board for auditing the cost accounts of the company for the year ended 2021-2022.
- ❖ **Secretarial Auditor:** M/s P. Jagannatham & Co., Company Secretaries in practice are the Secretarial Auditors appointed by the board of directors of the company for the year 2021-22.
- ❖ **Internal Auditors:** M/s C Ramachandram and Co, chartered Accountants have been appointed to conduct the internal Audit and review of internal financial controls on financial statements and other matters for better performance of the company which is being implemented by your company from time to time.

Disclosure of particulars of employees and related matters:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Director is given in a separate annexure to this Report. Particulars of employees as per the Rule-5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the company.

Statutory auditors comment in the independent auditors' report and reply:

With regard to the observations of the Statutory Auditors regarding the confirmations from some of the parties, it is hereby clarified that the company has obtained confirmations from major accounts and some minor accounts, the Board felt that it was required as there is no impact on the accounts.

Other Disclosures**❖ Board Committees:**

The details of composition, terms of Reference, meetings and attendance particulars of various committees of Board such as Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Share Transfer Committee are provided in the Corporate Governance Report vide **annexure No 5** to this Directors report. The intervening gap between the meetings of the Committees are within the prescribed period under the Companies Act, 2013 and the listing regulations. The Audit Committee consists of 2 independent directors i.e., Sri P Ramamoorthy and Sri Nemani Gopal and one non executive director i.e Smt K V Nagalalitha.

❖ Loans, Guarantees or Investments:

There were no loans/guarantees given by the company during the financial year 2020-2021.

❖ Contracts Or Arrangements With Related Parties:

All related party transactions that were entered into during the financial year 2020-21 were on an arms-length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There were no material related party contracts or arrangements or transactions made by the company. The Company has adopted a related party transactions policy duly approved by the Board, Details of the related party disclosures (transactions) are provided in the accompanying financial statements. The disclosure in form AOC-2 is not applicable.

❖ Vigil Mechanism/ Whistle Blower Policy:

The Company has adopted a whistle blower policy ad has established a clear vigil mechanism and directors to report concerns un ethical behaviour. The policy provides for adequate safeguards against victimisation 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.



❖ **Prevention of Sexual Harassment at Workplace:**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the work place in line with the provisions of the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, your Company has constituted Internal Complaints Committee (ICC). The Committee has four members and is chaired by a senior women member of the organisation. It is stated that there are no such complaints received by the committee/company during the year under review.

❖ **Material Changes after close of the financial year:**

There have been no material changes and commitments which have occurred after the close of the year till date of this report, effecting the financial position of the company.

❖ **Segment-wise or product-wise performance:**

The Company is mainly engaged in the business of manufacturer of OPC 53/ 43 and PPC grade cement and captive solar power generation. During the year under review, the company has Single Reportable Segment i.e., Cement.

❖ **Risk and concerns:**

The risks and concerns which are applicable to all industries and specially to cement industry can be said to be prevalent in the case of your company as well. Few of the major risks are given below. Periodical increases in the cost of inputs leading to impact on margins

- Uncertainty in coal supplies and increases in the prices.
- Failure or deficiency in the monsoon which may lead to reduction/ loss of revenue due to reduction in demand for cement
- Changes in Government policy impact the costs, demand and supply.

❖ **Internal control systems and their adequacy:**

The Company's internal control system in place has a process designed to take care of various controls and audit requirements. It ensures effectiveness in the operations and protection of the company's assets from any possible loss and unauthorised use. It also ensures proper and correct data being recorded. The design of the transactions is such that there is an adequate, appropriate and need based control on the activities/ business processes of the company. The Internal control system is augmented by an established internal audit system which is carried out by outside chartered accountants of the repute and experience. Regular reviews of internal audit are carried out to ensure robustness of the systems and control environment. The internal auditors submit their reports to the audit committee of the Board of Directors for their review. It is also ensured that the internal audit scope is adequate and their reviews are well directed to achieve the desired objectives. The committee also reviews the adequacy and effectiveness of the internal control systems and suggests improvements from time to time. The Compliance to the legal and statutory requirements is given utmost importance as also to ensure efficiency in operations/ reporting and controls. All parameters in operations/ activities are monitored regularly to ensure desired results.

❖ **Human resources development and industrial relations:**

The main focus of the company is to attract, develop and retain talented employees in order to achieve the business objectives. The company has made efforts in the field of training and development, congenial work environment, providing challenging work opportunities etc. The Company has framed HR practices in order to strengthen and building people talent for achieving the business objectives. Initiatives to develop leadership lines as well as enhance technical and functional capability with special focus on nurturing young talent are taken. Young managers are groomed by providing higher responsibilities, Focus remains on gaining cross functional knowledge to enable meaningful participation of employees all across of the company in innovation and process improvement. With the company entering in next phase of growth, the nurtured talent pool will enable smooth transition to new growth trajectory. During the year employee relations remained cordial. This has enabled company to build healthy relationship and resolve issues through dialogue and discussions.

Annexures to the Directors' Report

Corporate Social Responsibility: The company has constituted a Board level Committee "Corporate Social Responsibility Committee" in terms of section 135 and Schedule VII of the Companies Act, 2013 read with the provisions of the listing agreement/ regulations. CSR activities as detailed in a separate annexure to this annual report as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 vide **Annexure 1** and the same may also be accessed on the company's website.

Conservation of energy, technology absorption, foreign exchange earnings and outgo: The information relating to the conservation of energy, technology absorption, foreign exchange earnings/outgo, as required under the Companies Act, 2013 and the rules made there under is set out in **Annexure 2** which forms part of this Annual Report.



Secretarial Audit Report: The Company's Secretarial Auditors M/s P. Jagannatham & Co, has issued their Report for the year 2020-21 which is attached to this Directors' Report vide **Annexure-3**

Extract of Annual Return: The Annual Return of the Company has been placed at the Website of the company and can be accessed at www.srichakracement.com/admn/files/socl-annual%20return.pdf the details in Form MGT-9 is at **Annexure-4**

CORPORATE GOVERNANCE REPORT:

Your Company has taken adequate steps to adhere to all the stipulations laid down in 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. A report on the Corporate Governance is included as a part of this report. Certificate from the Secretarial Auditors of the company M/s. Puttaparthi Jagannatham & co, Company Secretaries, confirming the compliance with the conditions of Corporate Governance as stipulated under above regulations is included as part of this report vide **ANNEXURE-5**.

Your Directors state that no disclosure or reporting is required in respect of the following items as they are not apprised there were no transactions on these items during the year under review.

- Details relating to deposits covered under chapter 5 of the Act.
- No significant or material orders were passed by the Regulators or courts or tribunal which impact the going concern status and the company's operations in future.
- No cases were filed pursuant to the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 as per the internal complaints committee (ICC).
- No Dividend was recommended by the Board.
- No Issue of equity shares with differential rights as to Dividend, voting or otherwise.
- No Issue of shares to employees of the company under any revenue.
- There is no change in the nature of the business of the company during the year under report.
- There were no such companies which have come or ceased to be the company's subsidiaries, joint ventures or associate companies during the year.
- There were no significant material events occurred between the closure of the books of accounts for the year **2020-21** and the date of this report.

Disclosure of Remuneration: A Statement as required under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure 6**.

Cautionary Statement:

Statements made in this report describing the Company's projections, estimates, expectations or predictions may be 'forward looking predictions within the meaning of applicable securities laws and regulations. Actual results may differ from such estimates, projections, etc. whether expressed or implied. Factors which would make a significant difference to the Company's operations include availability of quality raw materials, market prices in the domestic and overseas markets, changes in Govt. Regulations and tax laws, economic conditions affecting demand/ supplies and other environmental factors over which the Company does not have any control.

Acknowledgement:

Your directors take this opportunity to express their sincere appreciation for the support and co-operation received from the various departments of the Government, Bankers, Suppliers, Customers and Shareholders.

The Directors also wish to place on record their appreciation for the committed services of the company's Employees.

**For and behalf of the Board
For Sri Chakra Cement Limited**

**Place: Hyderabad
Date: 30.06.2021.**

**N. Krishna Mohan
Chairman**

**K Vijay Kumar
Joint Managing Director**

**ANNEXURE 1: ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/INITIATIVES.****(Pursuant to Section 135 of the Companies Act, 2013 and Rule made there under)**

| SI NO | Particulars | Description |
|-------|--|--|
| 1 | A brief outline of the Company's CSR Policy including overview of the programmes proposed to be undertaken and reference to the web link to the CSE Policy and projects or programmes. | As per the provisions of the Companies Act, 2013 and rules made there under, the Company has formulated its CSR policy for development and implementation of programmes and projects for providing benefits to weaker sections of the society, particularly in the areas of education, healthcare and enhancement of income of rural poor. While planning the CSR Activities, the needs of the people are taken into account and people living around the places where our manufacturing operations are carried out, are consulted. We have undertaken CSR activities directly through our staff with the support of reputed NGOs and also through Sri Alivelu Manga Sarvaiah Charitable trust. The CSR Policy is placed on its website. |
| 2 | The Composition of CSR Committee is as under: | Sri P RamaMoorthy, Chairman Sri N Krishna Mohan, Member Sri K Vijay Kumar, member |
| 3 | Average net Profits of the company for the last three financial years). | The Average profits for the past three years amounts to Rs. (258.00) Lacs |
| 4 | The prescribed CSR expenditure at 2% | RS. NIL |
| 5 | Details of CSR activities/projects undertaken during the year. | |
| ❖ | Total amount spent for the financial year 2020-21 | Rs 2.86 Lacs |
| ❖ | Activities/Projects Undertaken | Provided financial support to physically challenged students for their education, drinking water facilities by installing water purifying plants, contribution for construction of roads and canals in rural areas in around the plant and annadanam during pushkarams. |
| ❖ | Amount unspent, if any: | NIL |
| 6 | Reasons for not spending the prescribed amount for CSR activities: | Not Applicable |
| 7 | A Responsibility statement by the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the company. | The CSR Committee confirms that the implementation and monitoring of CSR is in compliance with CSR objectives and policy of the Company. |

**Annexure –2: Conservation of Energy, Technology Absorption, Foreign Exchange Earning And Outgo Etc.**

Information conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are given in the Annexure B to this report.

❖ **Conservation of Energy:**

- ❖ Energy Conservation Measures taken regular energy audits are being internally conducted and efforts to are being made to reduce energy consumption by using energy-efficient equipments, thereby achieve cost savings and during the year under review, the power consumption was reduced to 81.07 per Mt of Cement.
- ❖ Total energy consumption and energy consumption per unit of production as per Form A of the Annexure to the Rules in respect of industries specified in the schedule thereto:

FORM – A

| SI NO | Particulars | 31.03.2021 | 31.03.2020 |
|----------|--|------------|------------|
| | Power and Fuel Consumption: | | |
| A | Electricity: | | |
| a) | Purchases (Units in Lakhs) | 387.83 | 363.77 |
| | Total Amount (Rs. In Lakhs) | 2811.26 | 2623.99 |
| | Rate per Unit in (Rs.) | 7.25 | 7.21 |
| b) | Own Generation: | | |
| i. | Through Diesel Generator (Units in lakhs) | 0.04 | 0.15 |
| | Unit per litre of diesel | 1.75 | 2.66 |
| | Cost/Unit (Rs.) | 44.00 | 26.07 |
| ii. | Solar Power (units in lakhs) | 43.32 | |
| B | Coal | | |
| | Quantity (M.T) | | |
| | Total cost (Rs in Lakhs) | 72141 | 59008 |
| | Average rate /MT (Rs) | 4154.02 | 3532.00 |
| C | FURNACE OIL | 5758.20 | 5985.62 |
| | Others/Internal Generation | | |
| D | Consumption per unit of production: | | |
| | Electricity (units/MT of Cement) | 87.91 | 89.69 |
| | Coal % per Mt of Clinker | 18.04 | 18.07 |

FORM B

- ❖ **Technology Absorption:** Efforts made to Research and Development & Technology absorption as per Form B of the Annexure to the Rules: **Not Applicable**
- ❖ **Foreign Exchange Earnings – NIL And Outgo: Nil**



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31ST 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Sri Chakra Cement Limited
D.No.27/4/1, Kannavari thota
Nagarampalem Guntur-522004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sri Chakra 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 the Company's books, papers, minutes 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, 2021 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, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable during the period under review**
 - d) The Securities and Exchange Board of India (Employee Share Based Employee Benefits) Regulations, 2014; - **Not Applicable during the period under review**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the period under review**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable during the period under review**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the period under review** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable during the period under review**



VI. Other Specifically applicable laws to the Company:

- Cement Control Order, 1967
- Cement Cess Rule, 1993
- Cement (Quality Control) Order, 1995 and 2003
- Bureau of Indian Standards Rules, 1987.
- Mines and Minerals (Regulation and Development) Act, 1957.
- The Mines Act, 1952
- The Explosives Act, 1884.

General Laws applicable to the company:

- Factories Act, 1948;
- Industrial Disputes Act, 1947;
- The Payment of Wages Act, 1936;
- The Minimum Wages Act, 1948;
- The Employees Compensation Act; 1923
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- The Payment of Bonus Act, 1965;
- Equal Remuneration Act, 1976;
- The Environment (Protection) Act, 1986;
- The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;
- Labour laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual as related to wages, gratuity etc.;
- The Air and Water (Prevention & Control of Pollution) Acts;
- Acts as prescribed under Direct Tax and Indirect Tax;
- Land Revenue laws of the State of AP;
- Labour Welfare Act of the State of AP

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

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

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

We further report that

- Based on the information provided by the Company, its officers and its authorized representatives during the conduct of the audit and also on review of quarterly reports by respective Department Heads/Company Secretary/ CEO taken on record by the Board of Directors of the Company, adequate systems and processes and control mechanism exist in the company to monitor and ensure the compliance of with the applicable general laws like labor laws, competition law and environment laws.
- The Compliance by the Company of applicable financial laws like direct and indirect laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors 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.
- there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

For Puttaparthi Jagannatham & Co
Navajyoth Puttaparthi
Practicing Company Secretary
COP No: 16041
M. NO: F9896
UDIN: F009896C000551503

Place: Hyderabad
Date: 30.06.2021

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

'ANNEXURE A'

To
The Members,
Sri Chakra Cement Limited
D.No.27/4/1, Kannavari thota
Nagarampalem Guntur-522004

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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 Puttaparthi Jagannatham & Co
Navajyoth Puttaparthi
Practicing Company Secretary
COP No: 16041
M. NO: F9896
UDIN: F009896C000551503

Place: Hyderabad
Date: 30.06.2021

**ANNEXURE – 4: EXTRACT OF ANNUAL RETURN (FORM MGT 9)**

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31.03.2021

| I. REGISTRATION & OTHER DETAILS: | | Description |
|----------------------------------|---|--|
| I | CIN | L40300AP1981PLC002952 |
| II | Registration Date | 10/3/1981 |
| III | Name of the Company | SRI CHAKRA CEMENT LIMITED |
| IV | Category/Sub-category of the Company | Limited by Shares/Non-Govt Company |
| V | Address of the Registered office & contact details | D.No.27/4/1, Kannavari Thota, 1st Floor, Beside Central Excise Office, Guntur District, AP-522104 Ph: |
| VI | Whether listed company | Yes. Listed on BSE |
| VII | Name, Address & contact details of the Registrar & Transfer Agent, if any | M/s. Venture Capital & Corporate Investments Pvt. Limited, 12-10-167, Bharat Nagar, Hyderabad- 500 018 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| Sl. No | Name & Description of main products/services | NIC Code of the Product / Service | % to total turnover of the Company |
|--------|--|-----------------------------------|------------------------------------|
| 1 | Cement OPC53/43 and PPC Grade | 2523 | 100% |

I. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES: NIL**A) Category wise Shareholding Pattern**

| Category of Shareholders | No. of Shares held as on 01.04.2020 | | | | No. of Shares held as on 31.03.2021 | | | |
|---|-------------------------------------|----------------|----------------|--------------|-------------------------------------|----------------|----------------|--------------|
| | Demat | Physical | Total | % | Demat | Physical | Total | % |
| A. Promoters | | | | | | | | |
| (1) Indian | | | | | | | | |
| a) Individual/HUF | 3005024 | 2796684 | 5801708 | 64.47 | 3483554 | 2759184 | 6242738 | 69.36 |
| d) Bodies Corporate | 441030 | 507262 | 948292 | 10.53 | 128340 | 378922 | 507262 | 5.64 |
| SUB TOTAL: (A) (1) | 3446054 | 3303946 | 6750000 | 75.00 | 3611894 | 3138106 | 6750000 | 75.00 |
| (2) Foreign | NIL | | | | | NIL | | |
| SUB TOTAL: (A) (2) | | - | - | - | - | - | - | - |
| Total (A)(1) + (A)(2) | 3446054 | 3303946 | 6750000 | 75.00 | 3611894 | 3138106 | 6750000 | 75.00 |
| B. PUBLIC SHAREHOLDING | | | | | | | | |
| (1) Institutions | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - |
| b) Banks/FI | 150 | - | 150 | 0.00 | 150 | --- | 150 | 0.00 |
| d) State Govt. | 126000 | - | 126000 | 1.4 | 126000 | --- | 126000 | 0.00 |
| SUB TOTAL: (B) (1) | 126150 | - | 126150 | 1.40 | 126150 | --- | 126150 | 0.00 |
| (2) Non Institutions | | | | | | | | |
| a) Bodies Corporate | 491556 | 9690 | 501246 | 5.57 | 490896 | 9690 | 500586 | 5.56 |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs. | 438452 | 762874 | 1201326 | 13.35 | 438382 | 762364 | 1200746 | |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs. | 372828 | 44910 | 417738 | 4.64 | 373978 | 44910 | 418888 | 4.65 |
| c) Any other (specify) | 240 | ---- | 240 | 0.00 | 270 | ----- | 270 | 0.00 |
| NRIs Trust | 3300 | | 3300 | 0.00 | 3360 | ----- | 3360 | 0.00 |
| Clearing Member | | | | | | | | |



| | | | | | | | | | |
|-------------------------------|---------|---------|---------|--------|---------|---------|---------|--------|--|
| SUB TOTAL: (B) (2) | 1306376 | 817474 | 2123850 | 23.60 | 1306886 | 816964 | 2123850 | 23.60 | |
| Total (B)(1) + (B)(2) | 1432526 | 817474 | 2250000 | 25.00 | 1433036 | 816964 | 2250000 | 25.00 | |
| Grand Total (A,B,C) | 4878580 | 4121420 | 9000000 | 100.00 | 5044930 | 3955070 | 9000000 | 100.00 | |

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY)**B. Shareholding of promoters**

| Particulars As On | | 01.04.2020 | | 31.03.2021 | | % change |
|-------------------|--|----------------|--------------|----------------|--------------|------------|
| S N | Shareholder Name | No. of Shares | % | No. of Shares | % | |
| 2 | Sri. K Vijay Kumar | 1078244 | 11.98 | 1078244 | 11.98 | NIL |
| 3 | Sri. VV S R Anjaneyulu | 880744 | 9.79 | 880744 | 9.79 | NIL |
| 4 | Smt. V V Nagalakshmi | 1877990 | 20.87 | 1877990 | 20.87 | Nil |
| 5 | Smt. K V Nagalalitha | 1964730 | 21.83 | 2405760 | 26.73 | 4.9 |
| 6 | M/s Envean Leasing and Investment Ltd | 42780 | 0.48 | 42780 | 0.48 | NIL |
| 7 | M/s Krishnarama Industrial Investments Ltd | 569370 | 6.33 | 128340 | 1.43 | 4.9 |
| 8 | M/s Jitharam Finance and Investments Ltd | 336142 | 3.73 | 336142 | 3.73 | NIL |
| Total | | 6750000 | 75.00 | 6750000 | 75.00 | NIL |

(C) Change In Promoters' Shareholding:

| Particulars As On | | 01.04.2020 | | Transfer on 15/03/2021 | | 31.03.2021 | |
|-------------------|--|----------------|--------------|------------------------|-------|----------------|--------------|
| S N | Shareholder Name | No. of Shares | % | No. of shares | % | No. of Shares | % |
| 2 | Sri. K Vijay Kumar | 1078244 | 11.98 | -- | -- | 1078244 | 11.98 |
| 3 | Sri. VV S R Anjaneyulu | 880744 | 9.79 | -- | -- | 880744 | 9.79 |
| 4 | Smt. V V Nagalakshmi | 1877990 | 20.87 | -- | -- | 1877990 | 20.87 |
| 5 | Smt. K V Nagalalitha | 1964730 | 21.83 | 350000 | 4.9 | 2405760 | 26.73 |
| 6 | M/s Envean Leasing and Investment Ltd | 42780 | 0.48 | -- | -- | 42780 | 0.48 |
| 7 | M/s Krishnarama Industrial Investments Ltd | 569370 | 6.33 | (350000) | (4.9) | 128340 | 1.43 |
| 8 | M/s Jitharam Finance and Investments Ltd | 336142 | 3.73 | -- | -- | 336142 | 3.73 |
| Total | | 6750000 | 75.00 | | | 6750000 | 75.00 |

(D). Shareholding pattern of top ten shareholders (other than directors, promoters & holders of GDRS & ADRS):

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding as on 01.04.2020 | | Shareholding as on 31.03.2021 | |
|---------|---|-------------------------------|------|-------------------------------|------|
| | | No. of Shares | % | No. of Shares | % |
| 1 | Andhra Pradesh Industrial Development Corporation Limited | 126000 | 1.4 | 126000 | 1.4 |
| 2 | Stewart Investment and Finance Private limited | 56700 | 0.63 | 56700 | 0.63 |
| 3 | Munal Agarwal | 75000 | 0.83 | 75000 | 0.83 |
| 4 | Subhash Kumar Agarwala (huf) . | 37500 | 0.42 | 37500 | 0.42 |
| 5 | Siva Nageswara Rao Doradla | 50890 | 0.57 | 50890 | 0.57 |
| 6 | Rita Agarwal | 112500 | 1.25 | 112500 | 1.25 |
| 7 | Alexander Paul shah | 30300 | 0.34 | 30300 | 0.34 |
| 8 | NS Sudhakar | 29190 | 0.32 | 29190 | 0.32 |
| 9 | V Sundararamaiah | 29120 | 0.32 | 30270 | 0.33 |
| 10 | Rajini | 30000 | 0.33 | 30000 | 0.33 |

(E) Shareholding Of Directors And Key Managerial Personnel:

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Particulars | Sec. Loans excl deposits | Unsec. Loans | Deposits | Total |
|---|--------------------------|---------------|----------|---------------|
| Indebtedness at the beginning of the financial year (01.04.2020) (Rs in Lakhs) | | | | |
| i. Principal Amount | 380.22 | 226.00 | | 606.22 |
| ii. Interest due but not paid | - | 1.97 | - | 1.97 |
| iii. Interest accrued but not due | 3.32 | | - | 3.32 |
| Total (i+ii+iii) | 383.54 | 227.97 | | 611.51 |
| Change in indebtedness during the financial year (Rs in Lakhs) | | | | |
| i. Addition | | | | |
| ii. Reduction | 89.75 | 227.97 | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year (31.03.2021) (Rs in Lakhs) | | | | |
| i. Principal Amount | 293.08 | -- | | 293.08 |
| ii. Interest due but not paid | | --- | | |
| iii. Interest accrued but not due | 0.71 | --- | | 0.71 |
| Total (i+ii+iii) | 293.79 | -- | | 293.79 |

VI. Remuneration Of Directors And Key Managerial Personnel

(A) Remuneration to Managing Director, Whole-time Director and/or Manager:

| Sl. No. | Particulars of Remuneration | Sri N Krishna Mohan Chairman | Sri K. Vijay Kumar Joint Mng. Director | Sri V V S R Anjaneyulu Exe. Director |
|---------|---|---------------------------------|--|--|
| | Salary as per provision contained in section 17(1) of the Income-tax Act, 1961 (incl value of perks u/s 17 (2), (3), Stock Opting, Sweat Equity, commission etc.) (Rs in Lakhs) | 46=00 | 40=25 | 40=25 |

(B) Remuneration to Key Managerial Personnel other than MD/WTD: (Rs. In Lakhs)

| Sl. No | Particulars of Remuneration | CFO | Company Secretary | Total Amount |
|--------|---|-------|-------------------|--------------|
| a) | Salary as per provision contained in section 17(1) of the Income-tax Act, 1961 (incl value of perks u/s 17 (2), (3), Stock Opting, Sweat Equity, commission etc.) (Rs in Lakhs) | 11=00 | 17=53 | 28=53 |

VII) Penalties / Punishment / Compounding Of Offences: NILFor and on behalf the Board
Sri Chakra Cement limitedPlace: Hyderabad
Date: 30.06.2021.N. Krishna Mohan
ChairmanK. Vijay Kumar
Joint Managing Director

**ANNEXURE- 5: REPORT ON CORPORATE GOVERNANCE**

In terms of compliance with regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Corporate Governance Report is set out herewith along with relevant disclosures as required there under.

Company's' philosophy:

The company's policies, practices and philosophy adopted since inception are in line with Corporate Governance. These policies, practices are required periodically to ensure its effective compliance. The composition of company board is well balanced with a view to manage the affairs of the company efficiently and professionally. The management believes that corporate growth, goals, transparency and enhanced shareholder value are to be achieved only through good corporate governance.

Board of directors:

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors, who have in-depth of business knowledge of business, in addition to the expertise in their areas of specialisation. The Board of the Company comprises eight Directors that include one Women Director.

(i) The composition and category of Directors as on 31st March, 2021 are follows:

| Category | Name of Director | Designation | No of Companies in which he is a director |
|------------------------------------|------------------------|-------------------------|---|
| Promoter & Exe. Directors. | Sri. N. Krishna Mohan | Chairman | 5 |
| | Sri. K Vijay Kumar | Joint Managing Director | 5 |
| Promoter and Non Exe. Director | Smt. K. V. Nagalalitha | Director | 4 |
| | Sri.V V S R Anjaneyulu | Executive Director | 4 |
| | Sri K.Sriram | Executive Director | 2 |
| Independent Non-Executive Director | Sri. P Ramamorthy | Independent Director | 2 |
| | Sri. K P Patnaik | Independent Director | NIL |
| | Dr A S Narayana | Independent Director | NIL |
| | Sri Nemani Gopal | Independent Director | NIL |

(ii) **Board Meetings dates and attendance particulars thereof**

During the year 2020-2021 the Board met 7 times on 15-05-2020, 31-07-2020, 15-09-2020,07-11-2020,19-12-2020,12-02-2021,18-03-2021, held and the following table shows details of Directors attendance at the board meeting and at the last annual general meeting.

| Category | Name of Director | Designation | 15-05-2020 | 31-07-20 | 15-09-20 | 07-11-20 | 19-12-20 | 12-02-2021 | 18-03-2021 | Last AGM |
|------------------------------------|------------------------|----------------|------------|----------|----------|----------|----------|------------|------------|----------|
| Promoter & Exe. Directors. | Sri. N. Krishna Mohan | Chairman | Y | Y | Y | Y | Y | Y | Y | Y |
| | Sri. K Vijay Kumar | Joint M D | Y | Y | Y | Y | Y | Y | Y | Y |
| | Sri.V V S R Anjaneyulu | Exec. Director | Y | Y | Y | Y | Y | Y | Y | Y |
| | Sri K.Sriram | Exec. Director | ---- | ---- | ---- | ---- | --- | Y | Y | |
| Promoter and Non Exe. Director | Smt. K. V. Nagalalitha | Director | Y | Y | Y | Y | Y | Y | Y | Y |
| Independent Non Executive Director | Sri. K P Patnaik | IND-Director | Y | Y | Y | Y | Y | Y | Y | N |
| | Dr A S Narayana | IND-Director | Y | Y | Y | Y | Y | N | Y | N |
| | Sri Nemani Gopal | IND-Director | Y | Y | Y | Y | Y | Y | Y | Y |
| | Sri. P Ramamorthy | IND-Director | Y | Y | Y | Y | Y | Y | Y | Y |

Y: YES N: NO

**Board Committees and their powers and procedures**

In Compliance with the requirements of the provisions of the Companies Act, 2013 and listing regulations, the following committees were constituted to review on various affairs of the day-to-day business from time to time and monitoring the same periodically.

A) Audit Committee:

Composition, Terms of Reference, and Attendance particulars of the committee

| Name of the Director | Position | held | Attended | Terms of Reference |
|--|----------|------|----------|---|
| Sri.P Ramoorthy, Ind Director | Chairman | 4 | 4 | Audit Committee reviews the Internal Auditors and Statutory Audit reports, financial results, effectiveness of internal audit processes and the Company's risk management strategy. |
| Sri.Nemani Gopal Ind Director | Member | 4 | 3 | |
| Smt.K.V.Nagalalitha Non Ex Director | Member | 4 | 4 | |

*The chairman of the Audit Committee was present at the last Annual General Meeting.

B) Nomination and Remuneration Committee:

The Committee Composition, Terms of Reference, and Attendance particulars of the committee

| Name of the Director | Position | held | Attended | Terms of Reference |
|--|----------|------|----------|---|
| Sri. Nemani Gopal Ind. Director | Chairman | 3 | 2 | Committee shall formulate a criteria and policy on appointment/remuneration of and identify the qualified persons who are qualified to become Directors/ Sr management. |
| Sri. P Rama Moorthy, Ind. Director | Member | 3 | 3 | |
| Smt. K. V. Nagalalitha, Non Ex Director | Member | 3 | 3 | |

C) Corporate Social Responsibility Committee:

Composition, Terms of Reference, and Attendance particulars of the committee

| Name of the Director | Position | held | attended | Terms of Reference |
|---|----------|------|----------|--|
| Sri. N Krishna Mohan Director | Chairman | 3 | 3 | Committee formulate and recommend to the Board, a CSR Policy and the amount of expenditure to be incurred on CSR activities. Committee framed a transparent monitoring mechanism for implementation of CSR projects. |
| Sri. K Vijay Kumar Joint Managing Director | Member | 3 | 3 | |
| Sri P Ramamoorthy Ind Non Ex Director | Member | 3 | 3 | |

D) Stakeholders' Relationship Committee:

Composition, Terms of Reference, and Attendance particulars of the committee

| Name of the Director | Position | held | Attended | Terms of Reference |
|---|----------|------|----------|--|
| Sri P Ramamoorthy, Ind Non Ex Director | Member | 2 | 2 | Committee focuses primarily on monitoring expeditious Redressal and review of investors / stakeholders grievances. |
| Sri V V S R Anjaneyulu, Non. Ex Director | Member | 2 | 2 | |
| Sri. N Krishna Mohan | Chairman | 2 | 2 | |

E) Share transfer committee:

Composition, Terms of Reference, and Attendance particulars of the committee

| Name of the Director | Position | held | Attended | Terms of reference |
|--|----------|------|----------|---|
| Sri. K. Vijay Kumar Ex. Director | Chairman | 4 | 4 | Committee approves share transfers, issue of duplicate certificates, share transmission, share transposition and related matters. |
| Smt. K.V. Nagalalitha Non- Ex. Director | Member | 4 | 4 | |

F) Shareholder's Services:

| Sl.No. | Nature of Complaints | 2021-2021 | | Pending as on 31.03.2021 |
|--------|-----------------------------------|-----------|----------|--------------------------|
| | | Received | Answered | |
| 1 | Non-receipt of annual accounts | NIL | NIL | Nil |
| 2 | Non-receipt of share certificates | NIL | NIL | Nil |
| 3 | SEBI/BSE complaints | Nil | Nil | Nil |
| 4 | Sub-division or consolidation | Nil | Nil | Nil |
| 5 | Non-receipt of dividends | 1 | 1 | Nil |

**Disclosures:**

- **Related Party Transactions:** There are no materially significant related party transactions that have potential conflict with the interests of the company at large. Suitable disclosures have been made in the Annual Report.
- **Non compliance by the company, penalties, strictures imposed:** No instances of non compliances, strictures/penalties have been imposed on the company or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.
- **Disclosure with regard to the provisions of Independent Directors:** The Company has complied requirements of Companies Act, 2013 and the Listing Regulations regarding appointment, qualifications, procedures and evaluation of performance of independent and non executive directors and also obtained declarations from all the Independent Directors as required under the Companies Act, 2013.
- **Separate Meeting of Independent Directors:** In Compliance of the requirements of the Act, all the Independent Directors had a meeting on 31st March, 2021, without the attendance of Non-Independent Directors and members of Management and discussed the issues such as review of performance of non independent directors, chairperson based on the views of executive and non executive directors and the Board as a whole and assessed 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.
- **Risk Management:** Risk evaluation and management is an on-going process within the organization. The Company has a well-defined risk management framework in place. The Company periodically places before the Audit and Risk Management Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company for its review.
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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- **Communication To Shareholders:**
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.
 - 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. of the Company and are displayed on the Company's website www.srichakracement.com.
 - Annual Report of the Company is sent to each shareholder prior to the Annual General Meeting.
- **Sebi Complaints Redressal System (Scores)**
SEBI has initiated SCORES processing the investor complaints in a centralised web redress system and online Redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

❖ **Relationship between Directors inter se:**

| Sl.No. | Name of the Director | Relationship with other Directors |
|--------|------------------------|--|
| 1 | Sri. N. Krishna Mohan | Related to Sri. K. Vijay Kumar & Smt. K.V. Nagalalitha |
| 2. | Sri. K. Vijay Kumar | Related to Sri. N. Krishna Mohan & Smt. K.V. Nagalalitha |
| 3 | Sri V V S R Anjaneyulu | Related to Sri. N. Krishna Mohan & Sri K Vijay Kumar |
| 4 | Smt. K. V. Nagalalitha | Related to Sri. N. Krishna Mohan & Sri. K.Vijay Kumar |
| 5 | Sri K.Sriram | Related to Sri N.Krishna Mohan & Sri K.Vijay Kumar |
| 6 | Sri.P.Rama Moorthy | None |
| 7 | Dr. A.S.Naryana | None |
| 8 | Sri.K.P.Patnaik | None |
| 9 | Sri. Nemani Gopal | None |

General shareholder information:**Annual General Meeting**

| Day and Date of AGM | Time | Venue |
|--|------------|---|
| 39 th A.G.M. 16.09.2021. | 12.00 NOON | Video conference/other Audio-Visual Means |

**Details Of Annual General Meetings of the Company held during the past three years:**

| Financial Year | Venue | Date | Time | No of Special Resolution passed |
|------------------------------------|--|------------|------------|---------------------------------|
| 38 th AGM 31.03.2020 | D.No.27/4/1, Kannavari Thota, 1 st Floor, beside Central Excise Office, Guntur-522104 | 17.12.2020 | 12.00 Noon | 8 |
| 37 th AGM 31.03.2019 | D.No.27/4/1, Kannavari Thota, 1 st Floor, beside Central Excise Office, Guntur-522104 | 23.09.2019 | 12.00 Noon | 2 |
| 36 th AGM 31.03.2018 | D.No.27/4/1, Kannavari Thota, 1 st Floor, beside Central Excise Office, Guntur-522104 | 24.09.2018 | 12.00 noon | 1 |

Financial Year and tentative financial calendar

| | |
|---|--|
| The current financial year of the Company | 1st April 2020 to 31st March 2021. |
| Date of Book closure | 10 th September 2021 to 16 th September 2021. |
| Stock exchange, listing etc. | The Shares are listed on Bombay Stock Exchange . Presently, the shares are under suspension and steps have been initiated to revoke suspension. Stock code- 518053 |
| Name of the Depositories (For Demat only) | National Securities Depositories Limited , Trade World, 'A' Wing, 4&5 Floors, Kamala Mills Compound, Lower Parel, Mumbai-400 013. Central Depository Services (India) Limited , P J Towers, 17 th Floor, Dalai Street, Fort, Mumbai-400 001. |
| ISIN No | INE827D01020 |
| Corporate Identification Number (CIN) | L40300AP1981PLC002952 |
| Name and designation of compliance officer | Sri P Rajendra Babu, Company Secretary and Compliance Officer, |
| Registrar And Share Transfer Agents: (Demat and Physical) | M/s. Venture Capital & Corporate Investments Private Limited , 12-10-167, Bharat Nagar Colony, Hyderabad- 500 018. Tel.No040-23818475/76, Fax No.04023868024, Email ID: info@vccipl.com |

Distribution on Face Value**Distribution of Share Holding as on 31st March 2021**

| Nominal Value | Holders | | Amount | |
|------------------|-------------|---------------|-----------------|---------------|
| | Number | % To Total | In Rs | % To Total |
| Upto - 5000 | 8858 | 96.47 | 8769010 | 9.74 |
| 5001 - 10000 | 215 | 2.34 | 1416900 | 1.57 |
| 10001 - 20000 | 52 | 0.57 | 740700 | 0.82 |
| 20001 - 30000 | 21 | 0.23 | 540850 | 0.60 |
| 30001 - 40000 | 5 | 0.05 | 171300 | 0.19 |
| 40001 - 50000 | 4 | 0.04 | 176400 | 0.20 |
| 50001 - 100000 | 6 | 0.07 | 447000 | 0.50 |
| 100001 and above | 21 | 0.23 | 77737840 | 86.38 |
| Total | 9182 | 100.00 | 90000000 | 100.00 |

Share transfer system:

Demat Requests are normally confirmed within 10 days of receipt subject to the documents being valid and complete in all respects.

Dematerialisation of shares:

The shares of the company are in compulsory demat segment. The company has signed agreements with both the depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited. As on 31st March, 2021 approximately 5044930 Lac Shares are dematerialised representing 56.05 % of the total paid up capital approx.

| Plant Location | Address for Correspondence |
|--|--|
| UNIT: 1: Sri Narasimhapuri, Karempudi, Guntur District, Ap UNIT-2: Alamanda, Jami Mandal, Vizianagaram District, Ap. Captive solar Power Plant: <u>Sri Kalahasthi, Chittoor District, AP</u> | Company Secretary and Compliance Officer, SRI CHAKRA CEMENT LIMITED, 6-3-668/10/66, Durganagar Colony, Punjagutta, Hyderabad- 500 082, Ph:040-6661 4633, 040-66612374.Email: srichakracement@gmail.com |

For Sri Chakra Cement Limited

Place: Hyderabad,
Date: 30.06.2021.

K. Vijay Kumar
Joint Managing Director

**ANNEXURE:6 (Statement of Disclosure of Remuneration under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- i Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the company for the financial year 2020-21, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2020-21 are as under.

| S.No. | Name of Director/KMP | Designation | Ratio of remuneration of each Director to median remuneration of Employees | Percentage Increase in Remuneration |
|---|------------------------|-------------------------|--|-------------------------------------|
| 1 | Sri N Krishna Mohan | Chairman | 1: 13.50 | - |
| 2 | Sri K Vijay Kumar | Managing Director | 1: 11.81 | - |
| 3 | Sri V V S R Anjaneyulu | Executive Director | 1:11.81 | - |
| Key Managerial Personnel (Other than MD/WTD/JMD) | | | | |
| 1 | Sri NSRV Prasad | Chief Financial Officer | 1:3.23 | |
| 2 | Sri P Rajendra Babu | Company Secretary | 1: 5.15 | - |

| S.No. | Particulars | Description |
|-------|---|--|
| ii | The percentile increase in the median remuneration of the employees during the financial year | There was an increase of Nil in the median remuneration of employees during the financial year |
| iii | The No of permanent employees on the rolls of company during the financial year | There were about 323 permanent employees |
| iv | Relationship between average increase in remuneration and company's performance: | The average increase in remuneration of the employees was about Nil. As against this, total revenue from operations of the company during FY 2020-2021 was increased by 33.11 %. |
| v | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company | The total remuneration of Key Managerial Personnel went up by NIL |
| vi | Variations in the market capitalization of the Company, price earnings ratio. | Presently shares are under suspension and hence, the same cannot be reported. |
| vii | 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 pointout if there are any exceptional circumstances for increase in the managerial remuneration | Average percentile increase in the salary of employees other than managerial personnel was about NIL approx as against the percentile increase in the remuneration of managerial was about NIL |
| viii | The key parameters for any variable component of remuneration availed by the Directors | NA |
| ix | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year | NIL |
| x | Affirmation that the remuneration is as per the remuneration policy of the Company | The remuneration of directors and other KMP is in compliance with the policy of the company and as per statutory requirements |

DECLARATION of 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 for Board of Directors and Senior Management for the year ended on 31st March, 2021.

For and on behalf the Board
Sri Chakra Cement limited

Place: Hyderabad
Date: 30.06.2021.

N. Krishna Mohan K. Vijay Kumar
Chairman Joint Managing Director



CEO AND CFO CERTIFICATION
(Pursuant to Regulation 17(8) of Listing Regulations, 2015)

We, K. Vijay Kumar, Joint Managing Director and NSRV Prasad, Chief Financial Officer responsible for the finance function and certify that:

- ❖ We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and behalf.
- ❖ These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- ❖ 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.
- ❖ 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.
- ❖ We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- ❖ We have indicated to the Auditors and the "Audit Committee"
 - There has not been any significant change in internal control over financial reporting during the year under reference.
 - There has not been any significant Changes in accounting policies during the year requiring disclosure in the notes to the financial statements and
 - We are not aware of any instance during the year of significant fraud with involvement there in, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad
Date : 30.06.2021

K. Vijay Kumar
Joint Managing Director

NSRV Prasad
Chief Financial Officer

No Disqualification certificate form Company Secretary in Practice

To
The Members
Sri Chakra Cement Limited

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Sri Chakra Cement Limited having CIN: L40300AP1981PLC002952 having its Registered Office at D.No.27/4/1, Kannavari Thota, 1st Floor, beside Central Excise Office, Guntur-522104, Andhra Pradesh, produced before us by the company for the purpose of issuing their certificate in accordance with Regulation 34 (3) read with Schedule V-Para C- Clause 10(i) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

After verification as considered necessary, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI Regulations, Ministry of Corporate Affairs or any such other Statutory Authority

Place: Hyderabad.
Date: 30.06.2021.

For Puttapparthi Jagannatham & Co.,
Company Secretaries.

Navajyoth Puttapparthi
M.NO.F9896
CP.NO.16041
UDIN: F009896C000551547

**CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members of
Sri Chakra Cement Limited

We have examined the relevant records relating to compliance of conditions of Corporate Governance by Sri Chakra Cement Limited ("the Company"), for the year ended 31st March, 2021, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the year ended 31st March, 2021.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations, as applicable.

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

Place: Hyderabad
Date: 30-06-2021

FOR PUTTAPARTHI JAGANNATHAM & CO
COMPANY SECRETARIES

CS NAVAJYOTH PUTTAPARTHI
PARTNER
M. No: F9896, CP No. 16041
UDIN: F009896C000551536



Independent Auditor's Report

To The Members of Sri Chakra Cement Limited Report on the Audit of the Financial Statements

We have audited the financial statements of M/s Sri Chakra Cement Limited ("the Company") which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of Cash Flows for the year then, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("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 March 31, 2021, and its Profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 Act 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.

Emphasis of Matter: We draw attention to the financial results which describes that based on the current indications of future economic conditions. The company expects to recover the carrying amount of all its assets and revenue recognised. The Impact of the Covid- 19 pandemic may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes to the future economic conditions. Our opinion is not modified in respect of this matter.

Information other than the 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, A Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 IND-AS 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 Financial Statements, that give a true and fair view of the financial position, financial performance (including other comprehensive income), Cash Flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind- AS) prescribed under section 133



of the Act, read with the **Companies (Indian Accounting Standards) Rules, 2015** and Companies (Indian Accounting Standards) Rules 2016, as amended from time to time, and other accounting principles generally accepted in India.

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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the financial statements.

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

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

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

Obtain an understanding of internal 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 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 my cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 IND-AS Financial Statements (including other comprehensive income), Cash Flows Statement, statement of changes in equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid IND-AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting:
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, 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: and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note 21 to the financial statements;
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For M/s Satyanarayana & Co.,
Chartered Accountants
Firm's Regn No.003680S**

**G Venkata Ratnam
Partner**

Membership No.19455

**Place: Hyderabad
Date: 30.06.2021**



“Annexure A” to the Independent Auditor’s Report of even date on the IND-AS Financial Statements of Sri Chakra Cement Limited. 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 Sri Chakra Cement Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the IND-AS 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 control 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 IND-AS 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 Control 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 IND-AS 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 IND-AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 IND-AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting.

Because of the inherent limitations of 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 March 31, 2021 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 M/s Satyanarayana & Co.,
Chartered Accountants
Firm's Regn No.003680S

Place: Hyderabad
Date: 30.06.2021

G Venkata Ratnam
Partner
Membership No.19455

"Annexure B" to the Independent Auditor's Report of even date to the members of Sri Chakra Cement Limited, on the IND-AS Financial Statements for the year ended 31st March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the IND-AS Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies between the books records and the physical fixed assets have been noticed.
 - c) The title deeds of Immovable properties are held in the name of the company.
- ii) a) The management has conducted physical verification of inventory at reasonable intervals.
b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) and 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company and hence not commented upon.
- i) In our opinion, and according to the information and explanations given to us, the company had not given any loans, guarantees or security or made investments under the provisions of Section 185 and 186 of the Companies Act, 2013.
- ii) The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- iii) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under Sub-section (1) of section 148 of the Companies Act, 2013 in respect of the products of the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- iv)
- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service tax, Duty of Customs, Value added Tax, Cess and other statutory dues with the appropriate authorities. According to the



information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

- b) The dues outstanding in respect of income-tax, sales-tax or service tax or duty of customs or duty of excise or value added tax and cess that have not been deposited on account of any dispute, are as follows:

| Name of the statue | Nature of dues | Amount in Rs Lakhs | Period to which the amount relates | Forum where dispute is pending |
|---------------------------------|-------------------|--------------------|------------------------------------|--------------------------------|
| Tamilnadu General Sales Tax Act | Sales Tax | 42.89 | 1983 | II Jr. Civil Judge Hyderabad |
| AP Sales Tax Authorities | Sales Tax | 591.14 | 2005 and earlier years | Govt. of A P |
| APSPDCL | Voltage surcharge | 2164.00 | 2010-11 to 2020-21 | Hon'ble High Court of A P |

- v) In respect of loans taken from banks/financial institutions the Company has not defaulted in repayment thereof. The Company had not issued any debentures.
- vi) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term Loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.
- vii) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- viii) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- ix) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- x) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the IND-AS Financial Statements as required by the applicable accounting standards.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xii) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- xiii) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s Satyanarayana & Co.,
Chartered Accountants
Firm's Regn No.003680s**

**Place: Hyderabad
Date: 30.06.2021**

**G Venkata Ratnam
Partner
Membership No. 19455**

**AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE AND CASH FLOW STATEMENT**

To
The Members of
Sri Chakra Cement Limited
Hyderabad.

We have examined the compliance of conditions of corporate governance by M/s Sri Chakra Cement Limited, for the year ended 31st March 2021, as stipulated as per the relevant provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period 01.04.2020 to 31.03.2021.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

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

**For M/s Satyanarayana & Co.,
Chartered Accountants
Firm's Regn No.003680S**

**G Venkata Ratnam
Partner
Membership No. 19455**

**Place: Hyderabad
Date: 30.06.2021**

CASH FLOW CERTIFICATE

We have examined the attached Cash Flow Statement of M/s Sri Chakra Cement Limited for the year ended 31st March 2021. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with the listed Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

**For M/s Satyanarayana & Co.,
Chartered Accountants
Firm's Regn No.003680S**

**G Venkata Ratnam
Partner
Membership No.19455**

**Place: Hyderabad
Date: 30.06.2021**

**SIGNIFICANT ACCOUNTING POLICIES****Notes forming part of the Ind-As financial statements for the year ended March 31, 2020****1. Company Information:**

Sri Chakra Cement Limited (SCCL) ("the Company") is a public limited company incorporated in India vide CIN No L40300AP1981PLC002952 under the provisions of the Companies Act, 1956 having its registered office at Guntur District, Andhra Pradesh. The Company's principal activity is manufacturing of all kinds of Cement, solar power generation. The Ind –AS financial statements of the Company for the year ended 31st March 2021 were authorized for issue in accordance with a resolution passed by the Board of Directors of the company on 31st July 2021.

2. Significant Account Policies:

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per to Ind AS . 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.

b) Use of estimates and critical accounting judgments:

In preparation of the financial statements, the company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimate and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

c) Revenue Recognition:

Sale of products.

Cement: Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and when the significant risks and rewards of ownership of the goods have been transferred to the buyer, usually on delivery/dispatch of the goods. It is measured at the value of the consideration received or receivable, net of returns, discounts, volume rebates. Power: Revenue from sale of power is recognized and adjusted against the power cost.

d) Other income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

e) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization other borrowings costs are expensed in the period in which they are incurred. There are no long term borrowings outstanding to any financial institutions as on 31st March 2019.

f) Employee Benefits:**(i) Short term obligations**

Liabilities for wages and salaries, including non –monetary benefits are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations



The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are resented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss.

(iv) Defined contribution plans

The company pays provident funds contributions to publicly administered funds as per local regulations and superannuation funds to LIC of India. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

(v) Bonus plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

g) Income Taxes:

Tax expense for the year comprises current and deferred tax.

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax relating to items recognized directly in equity or other comprehensive income is recognized in equity or other comprehensive income and not in the statement of profit and loss.



Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets on liabilities will be realized simultaneously.

h) Property, plant and equipment (PPE):

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replacement part is de-recognized. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

i) Depreciation:

Depreciation is the systematic allocation of the depreciable amounts of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in schedule II to the Act.

j) Investment properties:

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

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

k) Impairment of assets:

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

l) Inventories:

Raw Materials, Fuel, Stores and Spares and Packing Materials

Valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost, cost is determined on weighted Average basis.

Material in Transit:

Valuation of Inventories of Materials in Transit is done at Cost.

**Work-in-progress (WIP) and Finished Goods**

Valued at lower of cost and NRV. Cost of Finished Goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

m) Provision, Contingent Liabilities and Contingent assets:

The company recognizes provisions when there is present obligation as a result of past event and it is probable that there will an outflow of resources and reliable estimate can be make of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discounting rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. At present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent Liability are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the country.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

n) Financial Instruments:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

A. Financial Assets**(i) Financial assets carried at amortised 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.

(ii) 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. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.



B. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowing in the statement of profit and loss.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may not be realized.

Offsetting financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

o)Earning Per Share:

The basic earnings per share is computed by dividing the profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year the adjusted for the effects of all dilutive potential equity shares.

p) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

q) Segment Reporting –Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief Executive Officer will evaluate the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

**r) Government Grants:**

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

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income. The benefit of a government loan at below current market rate of interest is treated as a government grant.

s).Leases

Lease-Rentals payable under leases are charged to the statement of profit and loss

t) Rounding off amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

u)

The Government of India declared a lockdown in March 23rd 2020 in the light of the out break of Covid-19 on account of which the Company suspended its operations from 24th March 2020. The company has been taking various precautionary measures to protect its employees and their families from the Covid-19 Pandemic. Operations have been resumed, subsequently from 27th April 2020, where in the Company has taken all necessary safety measures as laid down by the Government for the Purpose.

The Company has considered internal and certain external sources of information, including economic forecasts and industry reports, up to the date of approval of the financial statements in determining the possible effects on the carrying amounts of inventories, receivables, deferred tax assets and other current assets, that may result from the Covid-19 pandemic. The Company has used the elements of prudence in applying the judgements and assumptions, including sensitivity analysis, and based on current estimates expects the carrying amount of these assets will be recovered. The eventual outcome of impact of the global health pandemic may be different from these estimated as on the date of approval of these financial results.



| BALANCE SHEET (IND-AS) AS AT 31ST MARCH 2021 | | | ₹ in lakhs | |
|--|---|--------|-----------------|-----------------|
| | Particulars | Notes | 31.03.2021 | 31.03.2020 |
| A | ASSETS | | | |
| | Non Current Assets | | | |
| | Property, Plant and Equipment | 2 | 8368.78 | 7626.65 |
| | Capital Work In Progress | 2 | - | 1629.33 |
| | Financial Assets | | | |
| | (i) Investments | 3(i) | 213.20 | 213.20 |
| | (ii) Loans | 3(ii) | 3564.01 | 3691.34 |
| | (iii) Other Financial Assets | 3(iii) | 1671.74 | 1660.26 |
| | Deferred Tax Assets (Net) | 4 | 206.45 | 141.31 |
| | Other Non Current Assets | 5 | 20.50 | 19.62 |
| | Total Non Current Assets | | 14044.68 | 14981.71 |
| | Current Assets | | | |
| | Inventories | 6 | 1354.84 | 1458.12 |
| | Financial Assets | | | |
| | (i) Investments | 7(i) | - | - |
| | (ii) Trade receivables | 7(ii) | 563.28 | 792.70 |
| | (iii) Cash and Cash Equivalents | 7(iii) | 911.76 | 136.77 |
| | (iv) Other Bank Balances (not specified in (iii) above) | 7(iv) | 81.26 | 62.15 |
| | (v) Other Financial Assets | 7(v) | 2111.41 | 1968.33 |
| | Current tax Assets | 8 | 270.30 | 157.98 |
| | Other Current Assets | 9 | 28.88 | 18.63 |
| | Total Current Assets | | 3966.89 | 3136.56 |
| | TOTAL ASSETS | | 19366.41 | 19576.39 |
| B | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| | Equity Share Capital | 10(i) | 900.00 | 900.00 |
| | Other Equity | 10(ii) | 4695.96 | 3737.69 |
| | Total Equity | | 5595.96 | 4637.69 |
| | Liabilities | | | |
| | Non Current Liabilities | | | |
| | Financial Liabilities | | | |
| | (i) Borrowings | 11(i) | 5947.04 | 5087.99 |
| | (ii) Other Financial liabilities | 11(ii) | 923.03 | 887.21 |
| | Long term provisions | 12 | 216.05 | 184.66 |
| | Deferred Govt Grant | 13 | 1896.13 | 2337.92 |
| | Total Non Current Liabilities | | 8982.25 | 8497.78 |
| | Current Liabilities | | | |
| | Financial Liabilities | | | |
| | (i) Trade Payables | 14(i) | 2565.13 | 3032.43 |
| | (ii) Other Financial Liabilities | 14(ii) | 1016.36 | 1232.44 |
| | (iii) Cash Credit - BOM | | 293.79 | 383.54 |
| | Short Term provisions | 15 | 8.64 | 5.96 |
| | Other Current Liabilities | 16 | 904.28 | 1786.54 |
| | Total Current Liabilities | | 4788.20 | 6440.92 |
| | Total Liabilities | | 13770.45 | 14938.70 |
| | TOTAL EQUITY AND LIABILITIES | | 19366.41 | 19576.39 |

The accompanying notes form an integral part of financial statements

As per our report of even date
For Satyanarayana & co,
Chartered Accountants
(FRN No 003680S)

Sd/-
G Venkataratnam
Partner
M No: 19455

Place: Hyderabad
Date: 30.06.2021

For and On behalf of the Board
For Sri Chakra Cement Limited

Sd/-
N Krishna Mohan
Chairman
DIN: 00698772
Sd/-
P Rajendra Babu
Company Secretary
M No: 6934

Sd/-
K Vijay Kumar
Joint Managing Director
DIN: 00769568
Sd/-
NSRV Prasad
Chief Financial Officer



STATEMENT OF PROFIT AND LOSS ACCOUNT (IND-AS) FOR THE YEAR ENDED 31ST MARCH 2021 ₹ in lakhs

| | Particulars | Notes | 31.03.2021 | 31.03.2020 |
|-------------|--|-----------------|-----------------|------------------|
| I | Income | | | |
| | Revenue from Operation | 17(i) | 18754.44 | 14089.55 |
| | Other Income | 17(ii) | 797.23 | 720.80 |
| | Total Income | | 19551.67 | 14810.35 |
| II | Expenses | | | |
| | Cost of materials Consumed | 18(i) | 4012.67 | 3346.02 |
| | Changes in inventories &WIP | 18(ii) | 211.56 | 163.71 |
| | Employee Benefit expense | 18(iii) | 1543.50 | 1581.66 |
| | Finance Cost | 18(iv) | 779.81 | 680.57 |
| | Depreciation & Amort.expense | 18(v) | 966.46 | 759.08 |
| | CSR Expenditure | 18(vi) | 2.86 | 1.82 |
| | Other Expense | 18(vii) | 11136.21 | 9624.11 |
| | Total Expenses | | 18653.07 | 16156.97 |
| III | Profit Before tax | | 898.60 | (1346.62) |
| | Tax Expense | 19 | | |
| | For the current year | 149.99 | - | - |
| | Mat Credit entitlement | (149.99) | - | - |
| | Deferred tax Expenditure/(Income) | | (63.71) | (169.09) |
| | Total Tax Expense | | - | - |
| V | Profit for the year | | 962.31 | (1177.53) |
| VI | Other Comprehensive Income | | | |
| | <u>Items that will not be reclassified to profit of Loss</u> | | | |
| | Remeasurement of Defined benefit plan (gain) / Loss | | 5.47 | 7.71 |
| | Income Tax relating to the above | | (1.42) | (2.00) |
| VII | Total Other Comprehensive Income | | 4.05 | 5.70 |
| VIII | Total Comprehensive Income | | 958.26 | (1183.23) |
| | Earning per share - basic and diluted on equity shares having face value of Rs.10/- each | | 9.98 | (13.15) |

As per our report of even date
For Satyanarayana & co,
Chartered Accountants
(FRN No 003680S)

Sd/-
G Venkataratnam
Partner
M No: 19455

Place: Hyderabad
Date: 30.06.2021

For and On behalf of the Board
For Sri Chakra Cement Limited

Sd/-
N Krishna Mohan
Chairman
DIN: 00698772

Sd/-
P Rajendra Babu
Company Secretary
M No: 6934

Sd/-
K Vijay Kumar
Joint Managing Director
DIN: 00769568

Sd/-
NSRV Prasad
Chief Financial Officer



| Note No: 10(i) Statement of changes in equity for the year ended 31st March 2021 | | ₹ in lakhs | |
|--|------------|------------|--|
| Particulars | 31.03.2021 | 31.03.2020 | |
| | Amt | Amt | |
| Equity share Capital | | | |
| Opening Balance | 900.00 | 900.00 | |
| Changes during the year | - | - | |
| Balance at the end | 900.00 | 900.00 | |

| Note No: 10(ii) Other Equity | | ₹ in lakhs | | | |
|--|---------|-----------------|-------------------|----------------------------|-----------|
| Particulars | Subsidy | Capital Reserve | Retained Earnings | Other Comprehensive Income | Total |
| Balance as on 01.04.2019 | 10.00 | 3183.82 | 584.27 | 1142.84 | 4920.93 |
| Profit for the year | - | - | (1177.53) | - | (1177.53) |
| Re-Measurement of defined benefit plans (Net of Taxes) | - | - | - | (5.70) | - |
| Other Prior period items | - | - | - | - | - |
| Other Adjustments | - | - | - | - | (5.70) |
| Balance as on 31.03.2020 | 10.00 | 3183.82 | (593.26) | 1137.13 | 3737.69 |
| Profit for the year | - | - | 962.31 | - | 962.31 |
| Re-Measurement of defined benefit plans (Net of Taxes) | - | - | - | (4.05) | - |
| Interest and Royalty waived | - | - | - | - | - |
| Other Adjustments | - | - | - | - | (4.05) |
| Balance as on 31.03.2021 | 10.00 | 3183.82 | 369.05 | 1133.08 | 4695.96 |

As per our report of even date
For Satyanarayana & co,
Chartered Accountants
(FRN No 003680S)

Sd/-
G Venkataratnam
Partner
M No: 19455

Place: Hyderabad
Date: 30.06.2021

For and On behalf of the Board
For Sri Chakra Cement Limited

Sd/-
N Krishna Mohan
Chairman
DIN: 00698772

Sd/-
P Rajendra Babu
Company Secretary
M No: 6934

Sd/-
K Vijay Kumar
Joint Managing Director
DIN: 00769568

Sd/-
NSRV Prasad
Chief Financial Officer



| CASH FLOW STATEMENT (IND-AS) FOR THE YEAR ENDED 31.03.2021 | | ₹ In Lakhs | |
|---|----------------|------------------|--|
| Particulars | 31.03.2021 | 31.03.2020 | |
| A. Cash Flow From Operating Activities | | | |
| Profit before tax | 962.31 | (1177.53) | |
| Adjustments for: | | | |
| Depreciation and Amortisation Expense | 966.46 | 759.08 | |
| Interest on royalty waived as per BIFR Scheme | - | - | |
| Finance Cost | 121.20 | 117.09 | |
| Fair value surplus on mutual funds | - | - | |
| Profit on sale of Investments (Equity) | - | (0.80) | |
| Change in operating assets and liabilities | | | |
| (Increase)/Decrease in trade receivables | 229.42 | (318.01) | |
| (Increase)/Decrease in inventories | 103.28 | 516.99 | |
| (Increase)/Decrease in other bank balances | (19.11) | (3.95) | |
| (Increase)/Decrease in other financial assets | (143.08) | 171.36 | |
| (Increase)/Decrease in other current assets | (10.25) | 9.62 | |
| (Increase)/Decrease in current tax assets | (112.33) | 127.07 | |
| (Increase)/Decrease in non current loans | 127.33 | (171.32) | |
| (Increase)/Decrease in non current financial assets | (11.48) | (13.74) | |
| Increase/(Decrease) in Non Current Assets | (0.88) | 14.39 | |
| Increase/(Decrease) in other trade payables | (467.30) | 722.99 | |
| Increase/(Decrease) in other short term borrowings | - | - | |
| Increase/(Decrease) in other financial liabilities | (216.09) | (52.06) | |
| Increase/(Decrease) in other short term provisions | 2.68 | (24.23) | |
| Increase/(Decrease) in cash credit | (89.75) | 64.90 | |
| Increase/(Decrease) in other current liabilities | (882.27) | 672.09 | |
| Increase/(Decrease) in temporary balances (def Tax Adjustments) | (65.14) | (171.10) | |
| Cash generated from operations | 495.03 | 1242.86 | |
| Remeasurement of employee benefit plan | (4.05) | (5.70) | |
| Net Cash inflow/(outflow) from operating activities | 490.98 | 1237.15 | |
| B. Cash Flow from Investing Activities | | | |
| Payments for property, plant and equipment | (79.27) | (1583.55) | |
| Profit on sale of Investments (Equity) | - | 0.80 | |
| Net Cash inflow/(outflow) from investing activities | (79.27) | (1582.75) | |
| C. Cash Flow From Financing Activities | | | |
| Interest paid | (121.20) | (117.09) | |
| (Repayment)/proceeds from borrowings | 859.05 | 734.70 | |
| Repayment of other financial Liabilities | 35.82 | 125.32 | |
| Government grants | (441.79) | (379.23) | |
| Long term provisions | 31.39 | 71.01 | |
| interest on royalty | - | - | |
| Net Cash inflow/(outflow) from financing activities | 363.27 | 434.70 | |
| Net Increase / (decrease) in cash/ cash equivalents | 774.99 | 89.10 | |
| Cash and cash equivalents at the beginning of financial year | 136.77 | 47.68 | |
| Cash and cash equivalents at the end of financial year | 911.76 | 136.77 | |

As per our report of even date
For Satyanarayana & co,
Chartered Accountants
(FRN No 003680S)

Sd/-
G Venkataratnam
Partner
M No: 19455

Place: Hyderabad
Date: 30.06.2021.

For and On behalf of the Board
For Sri Chakra Cement Limited

Sd/-
N Krishna Mohan
Chairman
DIN: 00698772

Sd/-
P Rajendra Babu
Company Secretary
M No: 6934

Sd/-
K Vijay Kumar
Joint Managing Director
DIN: 00769568

Sd/-
NSRV Prasad
Chief Financial Officer



₹ In Lakhs

Note No: 2

| Particulars | Property, Plant and Equipment and Capital Work In Progress | | | | | | | | | | | | | Cap. Work In progress | | | |
|------------------------------|--|-------------|--------------------|---------------|----------------|-------|---------------|----------|----------|-----------|-----------------|-----------|----------|-----------------------|-----------|-------------|---------|
| | Lease hold land | Plot at HYD | Flat at Vijaynagar | Factory bldgs | Staff Quarters | Roads | Plant & Mach. | Ele. Eqp | Off. Eqp | Computers | Furniture & Fix | Quary Eqp | Vehicles | | Misc Asst | Solar Plant | Total |
| GROSS CARRYING AMOUNT | | | | | | | | | | | | | | | | | |
| As at 01.04.2019 | - | 10.70 | 9.32 | 1484.34 | 127.09 | 48.55 | 11093.15 | 1324.27 | 31.52 | 61.21 | 45.32 | 150.38 | 42.39 | 41.93 | 2584.44 | 17054.42 | 939.35 |
| Additions | - | - | - | 15.89 | - | - | 884.03 | - | 2.18 | 1.92 | 0.24 | - | - | - | - | 904.27 | 689.98 |
| Disposals/ Transfers | - | 10.70 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31.03.2020 | - | - | 9.32 | 1500.23 | 127.09 | 48.55 | 11977.18 | 1324.27 | 33.71 | 63.13 | 45.56 | 150.38 | 42.39 | 41.93 | 2584.44 | 17948.19 | 1629.33 |
| Additions | - | - | - | 193.84 | - | - | 1506.35 | - | 4.17 | 1.13 | - | - | 3.10 | - | - | 1708.59 | 13.48 |
| Disposals/ Transfers | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1642.81 |
| As at 31.03.2021 | - | - | 9.32 | 1694.07 | 127.09 | 48.55 | 13483.53 | 1324.27 | 37.88 | 64.26 | 45.56 | 150.38 | 45.49 | 41.93 | 2584.44 | 19656.78 | - |
| DEPRECIATION | | | | | | | | | | | | | | | | | |
| As at 01.04.2019 | - | - | 0.45 | 599.64 | 18.98 | 41.98 | 7170.14 | 1225.43 | 28.48 | 49.14 | 42.04 | 144.35 | 38.97 | 39.32 | 163.53 | 9562.46 | - |
| Charged during the year | - | - | 0.14 | 39.02 | 1.97 | 0.94 | 572.45 | 48.42 | 1.62 | 7.28 | 0.96 | - | 0.75 | 0.62 | 84.92 | 759.08 | - |
| Disposals/ Transfers | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31.03.2020 | - | - | 0.59 | 638.66 | 20.95 | 42.92 | 7742.59 | 1273.85 | 30.10 | 56.42 | 43.01 | 144.35 | 39.72 | 39.94 | 248.45 | 10321.54 | - |
| Depreciation Charged | - | - | 0.14 | 39.13 | 1.97 | 0.94 | 813.50 | 16.00 | 1.26 | 3.83 | 0.20 | - | 0.57 | 0.62 | 88.30 | 966.46 | - |
| Disposals/ Transfers | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31.03.2021 | - | - | 0.73 | 677.79 | 22.92 | 43.86 | 8556.10 | 1289.85 | 31.36 | 60.25 | 43.21 | 144.35 | 40.29 | 40.56 | 336.75 | 11288.00 | - |
| NET CARRYING AMOUNT | | | | | | | | | | | | | | | | | |
| As at 31.03.2020 | - | - | 8.73 | 861.57 | 106.14 | 5.63 | 4234.59 | 50.42 | 3.61 | 6.71 | 2.56 | 6.04 | 2.67 | 2.00 | 2335.99 | 7626.65 | 1629.33 |
| As at 31.03.2021 | - | - | 8.59 | 1016.28 | 104.17 | 4.69 | 4927.44 | 34.42 | 6.52 | 4.01 | 2.36 | 6.04 | 5.20 | 1.38 | 2247.69 | 8368.78 | - |

Note: The Company has opted to use previous GAAP carrying amount as deemed cost as at the date of transition to IND AS (01.04.2016).

The Carrying amount of moveable fixed assets and immovable fixed assets are not subject to any charge or hypothecation

**Note No: 3(i) Financial Assets- Investments**

₹ In Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|---|---------------|---------------|
| Investments in Sri Subrahmanya Solar Projects (LLP) | 213.20 | 213.20 |
| Total | 213.20 | 213.20 |

Note No: 3(ii) Financial Assets- Non Current Loans

| Particulars | 31.03.2021 | 31.03.2020 |
|--|----------------|----------------|
| Unsecured considered good | - | - |
| Deposits with Government Departments/Others | 3564.01 | 3691.34 |
| Less: Reclassification of Tax assets under Cr Assets | - | - |
| Total Financial assets non current | 3564.01 | 3691.34 |

Note No: 3(iii) Other Non Current Financial Assets

| Particulars | 31.03.2021 | 31.03.2020 |
|--|----------------|----------------|
| Advance for purchase of land-----A | 1462.50 | 1462.50 |
| Bank deposits having maturity over 12 months | 209.24 | 197.76 |
| FDs fair value to be shown separately- Non Cur Portion | - | - |
| FDs fair value to be shown separately- Cur Portion | - | - |
| Sub Total-----B | 209.24 | 197.76 |
| Total -----(A+B) | 1671.74 | 1660.26 |

Note No: 4 Deferred Tax Assets

| Particulars | 31.03.2021 | 31.03.2020 |
|---|------------|------------|
| A. Balance Sheet | | |
| Differed tax Asset (Net) | 206.45 | 141.31 |
| B. Profit and Loss Account | | |
| Differed Tax Expenditure/(Income) provided in P&L Acc | - | - |
| Differed tax Expenditure/ (Income) Recognized in OCI | - | - |

Reconciliation of Deferred tax Liabilities/ Asset

| Particulars | 31.03.2021 | 31.03.2020 |
|--|---------------|---------------|
| Opening Balance | 141.31 | (29.79) |
| Deferred tax Liability/(Asset) on difference in Depreciation | 63.71 | 169.09 |
| Tax impact on the temporary differences due to Ind as Adjustment | - | - |
| Def. tax Liability on temp Differences recognised in P&L | - | - |
| Def. tax Asset on temp Differences recognised in P&L | 1.42 | 2.00 |
| Carry forward of previous year balance on adjustments | - | - |
| Total | 206.45 | 141.31 |

Note No: 5 Other Non Current Assets

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------------|--------------|--------------|
| Unsecured considered good | - | - |
| Long Term Trade receivables | 45.08 | 29.34 |
| Provision for doubtful debts | (26.88) | (26.88) |
| Sub Total | 18.19 | 2.45 |
| Prepaid expenses | 2.31 | 17.17 |
| Total | 20.50 | 19.62 |

Prepaid expenses include unamortized portion of fair value of FDs as per IND AS 109 Non current portion amounting to Rs 2.31 Lakhs for 2020-21

Note No: 6 Inventories

₹ in Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|-------------------|----------------|----------------|
| Raw Materials | 153.81 | 199.20 |
| Work In Progress | 66.43 | 196.40 |
| Finished Goods | 39.59 | 121.18 |
| Stores and Spares | 759.02 | 683.30 |
| Packing Materials | 122.16 | 102.71 |
| Coal | 213.83 | 155.34 |
| Total | 1354.84 | 1458.12 |

Inventories are valued at lower of cost and market value

**Note No: 7(i) Financial Assets (Current) – Investments**

₹ in Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|--|------------|------------|
| Investments in Mutual Funds | - | - |
| Fair value through Profit and Loss Account | - | - |

Investments in Mutual Funds are remeasured at fair value based on the NAV as on 31st March 2021

Note No: 7(ii) Financial Assets (Current) - Trade Receivables-

| Particulars | 31.03.2021 | 31.03.2020 |
|--|---------------|---------------|
| <u>Unsecured considered good</u> | - | - |
| Outstanding for a period of exceeding six months | 85.57 | 49.42 |
| Outstanding for a period of less than six months | 487.11 | 743.28 |
| | 572.68 | 792.70 |
| LESS: Provision for expected credit losses | 9.40 | |
| Total | 563.28 | 792.70 |

No trade receivables are due from any directors or other officers of the company with jointly or severally with any person or any related party

Trade receivables are non interest bearing and are generally on terms of around 30 days

Note No: 7(iii) Financial Assets (Current) - Cash and Cash Equivalents

| Particulars | 31.03.2021 | 31.03.2020 |
|---|---------------|---------------|
| Cash on Hand | 3.28 | 5.99 |
| Balance with bank in current account | 908.48 | 130.78 |
| Total | 911.76 | 136.77 |
| Long term deposits(more than 12M, to be shown as NCA | - | - |
| Deposit- maturity between 3 to 12M, to be shown as CA | - | - |
| Net Cash and Cash Equivalents | 911.76 | 136.77 |

Note No: 7(iv) Bank Balances other than mentioned in Note No 7(iii)

| Particulars | 31.03.2021 | 31.03.2020 |
|---|------------|------------|
| Deposit- maturity between 3 to 12Months | 81.26 | 62.15 |

Note No: 7(v) Financial Assets (Current) - Financial Loans

| Particulars | 31.03.2021 | 31.03.2020 |
|-------------------------------------|----------------|----------------|
| Advances for purchase of | - | - |
| Raw Materials | 43.55 | 38.20 |
| Store and Spares | 92.05 | 66.22 |
| Advance to Employees | 19.20 | 19.12 |
| Other Advances | 1734.02 | 1585.93 |
| Short Term Deposits | 222.59 | 258.85 |
| Total | 2111.41 | 1968.33 |
| Net Current financial assets | 2111.41 | 1968.33 |

Note No: 8 Financial Assets (Current)- Current tax Assets

| Particulars | 31.03.2021 | 31.03.2020 |
|-------------------------|---------------|---------------|
| Income Tax Refund Due | 57.47 | 94.63 |
| TDS on Income | 21.81 | 24.07 |
| MAT Credit Entitlement | 153.39 | 3.40 |
| TDS on cash withdrawals | 0.09 | 0.09 |
| TCS | 37.54 | 35.80 |
| Total | 270.30 | 157.98 |

Note No: 9 Other Current Assets

| Particulars | 31.03.2021 | 31.03.2020 |
|-------------------|--------------|--------------|
| Prepaid expenses | 28.87 | 18.63 |
| Other receivables | - | - |
| Total | 28.87 | 18.63 |

Prepaid expenses include unamortised portion of fair value of FDs as per IND AS 109 current portion amounting to Rs 15.20 Lakhs for 2020-21

**Note No 10(iii): Equity Share Capital**

₹ in Lakhs

| Particulars | 31.03.2021 | | 31.03.2020 | |
|---|-----------------------|---------------|-----------------------|---------------|
| | Numbers (in lakhs) | Amount | Numbers (in lakhs) | Amount |
| Authorised: Equity Shares of Rs 10/- each face Value | 200.00 | 2000.00 | 200.00 | 2000.00 |
| Issued: Equity Shares of Rs 10/- each face Value | 90.00 | 900.00 | 90.00 | 900.00 |
| Subscribed and Paid Up: Equity Shares of Rs 10/- each face Value | 90.00 | 900.00 | 90.00 | 900.00 |
| Total | 90.00 | 900.00 | 90.00 | 900.00 |

Reconciliation of number of shares outstanding at the beginning and at the end of the year & Chnges in the Equity Share capital

| Particulars | 31.03.2021 | | 31.03.2020 | |
|--|-----------------------|----------------|-----------------------|----------------|
| | Numbers (in lakhs) | Amount | Numbers (in lakhs) | Amount |
| Authorised: Equity Shares of Rs 10/- each: | | | | |
| Balance at the beginning | 200.00 | 2000.00 | 200.00 | 2000.00 |
| Changes during the year | | | | |
| Balance at the end | 200.00 | 2000.00 | 200.00 | 2000.00 |
| Issued, Subscribed and paid Up: Equity Shares of Rs 10/- each | | | | |
| Balance at the beginning: | 90.00 | 900.00 | 90.00 | 900.00 |
| Changes during the year | | | | |
| Balance at the end | 90.00 | 900.00 | 90.00 | 900.00 |

Terms/Rights/Restrictions attached to Equity Share:

The Company has one class of shares- Equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share

Details of shareholders holding more than 5% of the shares in the Company

| Particulars | 31.03.2021 | | 31.03.2020 | |
|--------------------------------------|------------|-------|------------|-------|
| | Number | % | Number | % |
| Sri K Vijay Kumar | 1078244 | 11.98 | 1078244 | 11.98 |
| Smt K V Nagalalitha | 2405760 | 26.73 | 1964730 | 21.83 |
| Sri V V S R Anjaneyulu | 880744 | 9.79 | 880744 | 9.79 |
| Smt V V Nagalakshmi | 1877990 | 20.87 | 1877990 | 20.87 |
| M/s Krishna Rama Industrial Inv. Ltd | 128340 | 1.43 | 569370 | 6.33 |

Note No: 11(i) Financial Liabilities- Borrowings

| Particulars | 31.03.2021 | 31.03.2020 |
|---------------------------------|----------------|----------------|
| Unsecured | | |
| Loans from Related parties | - | - |
| Government Loan- Unsecured | | |
| Sales tax Deferment Loan | 4363.01 | 3863.85 |
| Royalty (MRT) Deferment loan | 1584.03 | 1224.14 |
| Net Long term Borrowings | 5947.04 | 5087.99 |

Reconciliation of Government Loan

| Particulars | 31.03.2021 | 31.03.2020 |
|--|----------------|----------------|
| Face Value of Loan - Sales Tax and MRT | 7843.17 | 7425.91 |
| Less: Fair Value surplus- Government grant | 1896.13 | 2337.92 |
| Fair valued Government Loan as per IND AS | 5947.04 | 5087.99 |

**Sales Tax and MRT Deferent**

The Company was sanctioned a deferment package by the Government of AP in respect of the Sales Tax and Royalty for a period of 7 years w.e.f. 16.07.2015 vide GO Dated 16.07.2015. Accordingly, the company availed the said deferment of Sales tax up to 30.06.2017

As per the IND As, the company has opted to apply the fair value measurements for the deferment loans in respect of Sales and Royalty as on the date of transition i.e. 01.04.2016 and further loans received till 2020-21 through amortised cost using discounted value method @ 11% (Rate Generally applicable for borrowing outside). The difference between the fair value and carrying amount is classified as "Deferred Govt Grant"

Maturity Profile of the Deferred Sales Tax and Royalty deferment

| Repayment Date | NO of Inst | Sales tax | Royalty |
|----------------|------------|----------------|----------------|
| 31.03.2023 | 1 | 1817.44 | 239.40 |
| 31.03.2024 | 1 | 2803.29 | 440.03 |
| 31.03.2025 | 1 | 803.14 | 476.43 |
| 31.03.2026 | | | 490.71 |
| 31.03.2027 | | | 355.47 |
| 31.03.2028 | | | 417.26 |
| Total | | 5423.87 | 2419.30 |

Note No: 11(ii) Financial Liabilities- Others

| Particulars | 31.03.2021 | 31.03.2020 |
|--|---------------|---------------|
| Deposits from stockiest and Dealers | 923.03 | 887.21 |
| Interest payable | - | - |
| Statutory Liabilities as per BIFR Scheme | - | - |
| Total | 923.03 | 887.21 |

As per the terms and conditions of the agreement entered with the dealers and transporters, the security deposits being interest bearing and to be adjusted against the supply of materials at the time of termination and not payable in cash, and hence prima facie, this is not a financial liability. As such the same is valued at carrying amount in the IND As financial statements

Note No: 12 Long Term Provisions

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------------------|---------------|---------------|
| Provision for Gratuity | 169.17 | 134.56 |
| Provision for Compensated Absences | 46.88 | 50.09 |
| Total | 216.04 | 184.66 |

The Company provides for expenses towards gratuity and compensated absences provided to its employees which is recognized at the present value of the amount payable determined based on an independent external actuarial valuers report as at the balance sheet date based on the projected cost unit method.

The Actuarial gain/ loss as per the report submitted by the Actuary has been considered as an item of Other Comprehensive Income in P&L account for the year ended 31.03.2021 after considering the deferred tax item on the same as per the applicable rate and the liability has been reduced to the extent of such gain.



Disclosure required pertaining to Employee Benefits as per Ind AS 19 is given below

₹ in Lakhs

| Particulars | Gratuity Plan (Funded) | | Compensated Absences (Non-Funded) | |
|---|---|---------------|-----------------------------------|--------------|
| | 31.03.2021 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| | Reconciliation of opening and closing balances of present value of obligations | | | |
| Defined Benefit Obligation as at the beginning of the year | 295.37 | 290.00 | 50.59 | 41.00 |
| Current Service Cost | 20.89 | 20.67 | 13.62 | 14.00 |
| Interest Cost | 19.72 | 19.72 | 3.44 | 3.44 |
| Actuarial Loss/ Gain | 4.90 | 5.54 | (17.43) | (7.00) |
| Benefits paid | (42.98) | (40.63) | (1.86) | - |
| Defined Benefit obligations as at the end of the year | 297.90 | 295.30 | 48.36 | 51.44 |

| Reconciliation of opening and Closing Balances of fair value of Plan assets | | | 31.03.2021 | 31.03.2020 |
|---|---------------|---------------|------------|------------|
| Fair Value of Plan assets at the beginning of the year | 155.35 | 183.56 | - | - |
| Expected rate of return on Plan Assets | 9.13 | 12.64 | - | - |
| Actuarial Loss/ gain | (0.57) | (2.16) | - | - |
| Employers' contribution | 1.00 | 1.95 | - | - |
| benefits paid | (42.97) | (40.63) | - | - |
| Fair Value of Plan Assets at the end of the year | 121.94 | 155.36 | - | - |

| Actual Return on Plan Assets | | | | |
|---------------------------------------|-------------|--------------|---|---|
| Expected Return on Plan Assets | 9.13 | 12.64 | - | - |
| Actuarial Losses/ gain on Plan Assets | (0.57) | (2.16) | - | - |
| Actual Return on Plan Assets | 8.56 | 10.48 | - | - |

| Reconciliation of Fair Value of Assets and Obligations | | | | |
|--|---------------|---------------|--------------|--------------|
| Fair Value of Plan Assets | 121.94 | 155.35 | - | - |
| Present Value of Obligations | 297.90 | 295.37 | 48.36 | 51.00 |
| Difference | 175.96 | 140.00 | - | - |
| Amount recognized in balance Sheet | 175.96 | 140.00 | 48.36 | 51.00 |

| Expenses recognized during the year | | | | |
|--|--------------|--------------|---------------|-------------|
| Current Service Cost | 20.89 | 20.67 | 13.62 | 13.79 |
| net Interest on Obligations | 9.94 | 8.55 | 3.44 | 2.79 |
| Actuarial Loss/ gain recognized during the year | - | - | (17.43) | (7.13) |
| past Service Cost | - | - | - | - |
| Expenses recognised in Statement of Profit and loss | 30.83 | 29.22 | (0.37) | 9.45 |

| Amount Recognized in the Other Comprehensive Income | | | | |
|--|-------------|-------------|---|---|
| Actuarial Changes arising from | | | | |
| Experience Adjustments on Plan Liabilities | 5.47 | 6.00 | - | - |
| Changes in financial assumptions | - | - | - | - |
| Return on Plan assets excluding amount included in the Net Interest on Net Defined liability/(Asset) above | (1.42) | 2.00 | - | - |
| Amount Recognized in the Other Comprehensive Income during the year | 4.05 | 8.00 | - | - |



₹ in Lakhs

| Actuarial Assumptions | | |
|--|--|----------|
| LIC 1996-98 table applied for Service mortality rate | Indian Assured lives Mortality (2012-14) Ult | |
| Discount rate p.a | 6.80% | 6.80% |
| Retirement Age | 60 years | 60 years |
| Rate Escalation in Salary p.a. | 7.00% | 7.00% |
| Rate employee turnover | 1% | 1% |

| Estimate of expected benefit Payments | | | | |
|---------------------------------------|--------|--------|------|------|
| year 1 | 7.16 | 5.00 | 1.48 | 1.00 |
| year 2 | 27.19 | 15.00 | 2.77 | 1.00 |
| year 3 | 32.55 | 33.00 | 3.39 | 3.00 |
| Year 4 | 13.21 | 26.00 | 2.03 | 3.00 |
| Year 5 | 25.20 | 7.00 | 2.90 | 1.00 |
| next 5 Years | 124.49 | 121.00 | 8.50 | 8.00 |

| Quantitative Sensitivity Analysis for Significant Assumptions | | | | |
|---|--------|---|-------|---|
| Discount rate - 1 percent increase | 270.10 | - | 43.04 | - |
| Discount rate - 1 percent decrease | 331.49 | - | 54.73 | - |
| Salary escalation- 1 percent increase | 331.09 | - | 54.65 | - |
| Salary escalation- 1 percent decrease | 269.90 | - | 43.01 | - |
| withdrawal rate- 1 percent increase | 298.09 | - | 48.32 | - |
| withdrawal rate- 1 percent decrease | 298.46 | - | 48.40 | - |

| Particulars | 31.03.2021 | 31.03.2020 |
|---------------------------|------------|------------|
| Deferred Government Grant | 1896.13 | 2337.92 |

Deferred Government Grant comprises of -Fair value interest benefit below market/ Nil rate of interest pertaining to te sales tax and royalty deferment recognized as Government Grant as per IND AS 20 and recognized as Grant Income and amortized over the period of deferment in P&L account as per income Statement approach basis

| Particulars | 31.03.2021 | 31.03.2020 |
|--|----------------|----------------|
| Opening Balance | 2337.92 | 2717.15 |
| Amount recognised during the year on ST Deferment | - | - |
| Amount recognised during the year on MRT Deferment | 216.82 | 184.25 |
| Sub-Total | 2554.74 | 2901.40 |
| Less: Revenue recognised in P&L Account | 658.61 | 563.48 |
| Total Deferred Govt Grant | 1896.13 | 2337.92 |
| Particulars | 31.03.2021 | 31.03.2020 |
| Trade Payables | 2565.13 | 3032.43 |
| Total | 2565.13 | 3032.43 |



₹ in Lakhs

There are no dues to micro and small enterprises at the reporting date (As at 31.03.2021 - Rs NIL). This information as required to be disclosed under Micro Small and Medium enterprises Development Act, 2006 has been determined to the extent of such parties have been identified on the basis of information available with the Company.

| Particulars | 31.03.2021 | 31.03.2020 |
|---|----------------|----------------|
| Current maturities of Long term Debt- Unsecured | - | - |
| Expenses Payable | 1016.35 | 1232.44 |
| Total | 1016.35 | 1232.44 |

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------------------|-------------|-------------|
| Provision for gratuity | 7.16 | 5.45 |
| Provision for compensated absences | 1.48 | 0.51 |
| Total | 8.64 | 5.96 |

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------|---------------|----------------|
| Advance from Customers | 712.51 | 1409.84 |
| Others | 191.77 | 376.70 |
| Total | 904.28 | 1786.54 |

The Advances from Customers are received in the normal course of business and adjusted against subsequent supplies.

Note No 17(i): Revenue From Operations

| Particulars | 31.03.2021 | 31.03.2020 |
|---------------------------------------|-----------------|-----------------|
| Sale of Products (Net) | 18891.86 | 14182.63 |
| Adjustments as per IND AS | | |
| Less: Trade and Cash Discounts | 137.42 | 93.08 |
| Revenue from Operations- Total | 18754.44 | 14089.55 |

Revenue from Operations representing revenue received from sale of Products include the excise duty and excludes discounts allowed on the same which is recognized as per the IND AS-18

Note No 17(ii): Other Income

| Particulars | 31.03.2021 | 31.03.2020 |
|---|---------------|---------------|
| Interest Income | 39.73 | 75.94 |
| Scrap Sales | 23.51 | 63.70 |
| Misc Income | 0.04 | 3.13 |
| Profit on sale of Investments (Equity) | 60.93 | - |
| Profit on sale of Investments (Debt) | - | 0.80 |
| Government Grant | 658.61 | 563.48 |
| Interest on fir value of bank FD's | 14.41 | 13.75 |
| Total Other income | 797.23 | 720.80 |

Note No 18(i): Cost of Materials Consumed

| Particulars | 31.03.2021 | 31.03.2020 |
|-------------------|----------------|----------------|
| Limestone | 1073.32 | 873.49 |
| Other additives | 1341.51 | 1348.07 |
| packing material | 791.61 | 613.92 |
| Stores and Spares | 806.23 | 510.55 |
| Total | 4012.67 | 3346.02 |

**Note No 18(ii): Changes in the inventories of finished goods, work in progress**

₹ in Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|--|---------------|---------------|
| Opening Stock | | |
| Work in Progress | 196.40 | 372.56 |
| Finished Goods | 121.18 | 108.73 |
| Total opening Balance -A | 317.58 | 481.28 |
| Closing Stock | | |
| Work in Progress | 66.43 | 196.40 |
| Finished Goods | 39.59 | 121.18 |
| Total Closing Balance -B | 106.02 | 317.58 |
| Total Change in the inventories (Net) (A-B) | 211.56 | 163.71 |

Note No 18(iii) : Employee Benefit Expense

| Particulars | 31.03.2021 | 31.03.2020 |
|--|----------------|----------------|
| Salaries | 977.19 | 1041.63 |
| Remuneration to Directors | 129.92 | 126.50 |
| Contribution to PF and Other Funds | 51.99 | 49.38 |
| Workmen and Staff Welfare Expenses | 384.40 | 364.14 |
| Total | 1543.50 | 1581.66 |
| Ind Adjustment | | |
| Less: Defined benefit gain/loss to be shown under other comprehensive income | - | - |
| Tax Adjustment on the above | - | - |
| Net Employee Benefit expense | 1543.50 | 1581.66 |

Note No 18(iv): Finance cost

| Particulars | 31.03.2021 | 31.03.2020 |
|---|---------------|---------------|
| Interest- Others | 121.20 | 117.09 |
| Interest calculated on financial liabilities/assets as per effective rate | | |
| Sales Tax | 500.18 | 442.84 |
| Royalty | 158.43 | 120.64 |
| Total finance cost | 779.81 | 680.57 |

Note No 18(v): Depreciation and Amortisation expense

| Particulars | 31.03.2021 | 31.03.2020 |
|---|------------|------------|
| Depreciation on Property, Plant and Equipment | 966.46 | 759.08 |

Note No 18(vi): CSR Expenditure

| Particulars | 31.03.2021 | 31.03.2020 |
|-----------------|------------|------------|
| CSR Expenditure | 2.86 | 1.82 |

Note No 18(vii): Other Expenses**Power, Fuel:**

| Particulars | 31.03.2021 | 31.03.2020 |
|--------------|----------------|----------------|
| Power Cost | 2758.89 | 1600.84 |
| Coal Cost | 4154.02 | 3533.47 |
| Total | 6912.90 | 5134.32 |

**Direct Manufacturing Expense, Admn and Selling expenses etc**

₹ in Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|--------------------------------|---------------|---------------|
| Direct Manufacturing Expenses | 115.04 | 114.03 |
| Repairs and Maintenance | | |
| - Buildings | 3.18 | 12.48 |
| - Plant and machinery | 36.88 | 55.34 |
| - Others | 505.50 | 451.55 |
| Sub Total | 660.59 | 633.40 |

| Particulars | 31.03.2021 | 31.03.2020 |
|--------------------------------|---------------|---------------|
| Administration Expenses | | |
| Travelling and Conveyance | 32.42 | 62.78 |
| Directors' Travelling expenses | 0.19 | 1.20 |
| Printing and Stationary | 2.25 | 4.49 |
| Communication Expenses | 10.36 | 9.76 |
| Legal and professional Charges | 2.10 | 4.23 |
| Insurance | 20.78 | 14.96 |
| Audit Fees and Expenses | 1.00 | 0.95 |
| Postage & telegraphs | 2.05 | 4.02 |
| Rent | 32.88 | 34.73 |
| Rates and taxes | 80.48 | 35.38 |
| Security Service Charges | 53.70 | 55.64 |
| Bank Charges | 7.48 | 4.07 |
| Lease rentals | 38.90 | 38.90 |
| Donations | 0.30 | 49.84 |
| Loss on Investment | 9.40 | - |
| Misc Expenses | 174.63 | 323.55 |
| Solar plant expenses | 24.54 | 31.05 |
| Sub Total | 493.45 | 675.58 |

Selling Expenses

| | | |
|---|-----------------|----------------|
| Freight, packing and forwarding Charges | 2893.34 | 2932.29 |
| Advertisement and Publicity | 161.51 | 234.77 |
| Sub Total | 3054.85 | 3167.06 |
| Ind As Adjustment | | |
| Prepaid Expenses written off | 14.41 | 13.75 |
| Grand Total as per IND as | 11136.21 | 9624.11 |

Audit Fees and Expenses

| Particulars | 31.03.2021 | 31.03.2020 |
|---------------------------------------|-------------|-------------|
| Statutory Auditors | | |
| Statutory Audit | 0.80 | 0.75 |
| Reimbursement of Expenses | - | 0.05 |
| Tax Auditors- Taxation matters | 0.20 | 0.15 |
| Total | 1.00 | 0.95 |

Note No 19: Tax Expenses

| Particulars | 31.03.2021 | 31.03.2020 |
|-----------------------------------|----------------|-----------------|
| Current year Tax | - | |
| Deferred Tax Expenditure/(Income) | (63.71) | (169.09) |
| Total | (63.71) | (169.09) |

**Note No: 20(i) Disclosure on Fair Value Measurement**

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short - term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

| Particulars | ₹ in Lakhs | | | | | |
|------------------------------|-------------|-------|--------|-------------|-------|--------|
| | Amort. Cost | FVTPL | FVTOCI | Amort. Cost | FVTPL | FVTOCI |
| | 31-03-2021 | | | 31-03-2020 | | |
| Financial Assets | | | | | | |
| Investments | - | 0 | - | - | 0 | - |
| Loans and Advances | 3564.01 | - | - | 3691.34 | - | - |
| Trade Receivables | 563.28 | - | - | 792.70 | - | - |
| Cash and Bank Balances | 911.76 | - | - | 136.77 | - | - |
| Other Financial Assets | 3783.16 | - | - | 3628.60 | - | - |
| Financial Liabilities | | | | | | |
| Long term Borrowings | 5947.04 | - | - | 5087.99 | - | - |
| Trade Payables | 2565.13 | - | - | 3032.43 | - | - |
| Other financial Liabilities | 1827.31 | - | - | 2673.75 | - | - |

Note No: 20(ii) Fair Value Hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

| FINANCIAL ASSETS | | ₹ in Lakhs | |
|--------------------|---------|------------|------------|
| Particulars | Levels | 31.03.2021 | 31.03.2020 |
| Investments | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | - | - |
| Loans and Advances | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | 3564.01 | 3691.34 |
| Trade Receivables | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | 563.28 | 792.70 |

FINANCIAL LIABILITIES

| Particulars | Levels | 31.03.2021 | 31.03.2020 |
|-----------------------------|---------|------------|------------|
| Long term Borrowings | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | 5947.04 | 5087.99 |
| Trade Payables | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | 2565.13 | 3032.43 |
| Other financial Liabilities | Level 1 | - | - |
| | Level 2 | - | - |
| | Level 3 | 1827.31 | 2673.75 |

**Note No: 20(iii) Valuation Technique used to determine fair value**

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

| Nature of Fin Instrument | Valuation Technique | Remarks |
|--------------------------------|----------------------|--|
| Investment in Mutual Funds | NAV as on 31.03.2021 | |
| Dealer deposits | Carrying value | Since these are int bearing, carrying value is the fair value. |
| Sales tax and MRT Deferment | Amortized Cost | NPV @interest @11% market rate as it is an interest free. |
| Trade receivables and Payables | Carrying value | Based on their short term nature, carrying value will be fair value. |

Note No: 20(iv) Valuation Process:

₹ in Lakhs

| Particulars | 31.03.2021 | | 31.03.2020 | |
|------------------------------|----------------|----------------|----------------|----------------|
| | CV | FV | CV | FV |
| Financial assets | | | | |
| Loans & Deposits | 3564.01 | 3564.01 | 3691.34 | 3691.34 |
| Total | 3564.01 | 3564.01 | 3691.34 | 3691.34 |
| Financial Liabilities | | | | |
| Borrowings- Deferent Loans | | | | |
| ST Deferment | 5423.87 | 4363.31 | 5423.87 | 3863.85 |
| MRT Deferment | 2419.30 | 1583.73 | 2002.04 | 1224.14 |
| Total | 7843.17 | 5947.04 | 7425.91 | 5087.99 |

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

The fair value of interest free Sales tax and Royalty deferment loans are calculated based on net present values under discounting method market lending rate and amortization thereof and are classified as level 3 fair values in their fair value hierarchy since significant inputs required to fair value on instrument are observable. since there is no change in the interest rate used for discounting, the fair value is equal to the amortized cost

For other non current assets and liabilities including chits subscription, the fair value and carrying value is considered to be the same considering their nature and applicability of provisions of the IND AS

Note No: 21 Contingent Liability:

₹ in Lakhs

| Nature of Liability | 31.03.2021 | 31.03.2020 | Period relating to | Pending before Authority |
|-------------------------------------|------------|------------|--------------------|-----------------------------------|
| Sales Tax Related (Tamilnadu Govt) | 43 | 43 | 1983 | II Jr Civil Judge, Hyderabad |
| Sales Tax Related (Telangana Govt) | 591 | 591 | Prior to year 2005 | Telangana Govt (earlier AP Govt) |
| Electricity supply related- APSPDCL | 2164 | 2002 | 2010-11 to 2019-20 | Hon'ble High Court of AP |

**Note No: 22 Other Disclosures**

| Item | Description |
|---|--|
| Segment Information | The company primarily operates in Cement segment. Being the reportable segment under the IND AS. |
| Corporate Social Responsibility (CSR) | Section 135(5) of the Companies Act 2013, stipulates that the company needs to spend 2% of the average net profit made during the 3 immediately preceding financial years in pursuant of its Corporate Social Responsibility (CSR). Thus the company has spent Rs.2.86 Lakhs during the financial year 2019-20 towards CSR activities. |
| Dues to Micro, small and Medium enterprise | The Company has recorded all known liabilities in the financial statements. The company has not received any intimations from suppliers regarding the status under the micro, small and medium enterprises development act 2006 and hence discloses if any relating to, amounts unpaid as at the year and together with interest paid or payable as required under the said Act have not been given. |
| Income from Solar Plant | The revenue generated from solar plant has been adjusted towards the Power and Fuel Cost under Note No: 18 (vii) |

Note No: 23(i): Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the company. Risk management systems are reviewed by the BOD periodically to reflect changes in market conditions and the company's activities. The company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the risk management framework. The audit committee is assisted in the oversight role by internal audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the audit committee.

The company has the following financial risks:

| Category of the risk | Nature of risk |
|----------------------|---|
| Credit risk | Receivables |
| | Financial instruments and cash deposits |
| Liquidity Risk | Fund Management- Investments |
| Market Risk | Cash flow and fair value interest rate risk |

The board of directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks.

Credit Risk:

Credit Risk is the risk of financial loss to the company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The company maintains adequate security deposits from its customers incase of wholesale and retail segment. In case of institutional segment, credit risks are mitigated by way of enforceable securities. The exposures with the government are generally unsecured but they are considering good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery. Such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on expected credit loss for trade receivables under simplified approach as below:

**Note No: 23(ii) Provision for Expected Credit Losses Trade receivables as at 31.03.2021**

₹ in Lakhs

| Particulars | Below 21 days | Less than 90 Days | 90 to 180 days | More than 180 days | Total |
|--|---------------|-------------------|----------------|--------------------|--------|
| Gross Carrying amount | 349.42 | 121.63 | 16.06 | 85.57 | 572.68 |
| Expected Loss Rate | 0.05% | 2.00% | 5.00% | 7.00% | 0.14 |
| Expected credit loss | 0.17 | 2.43 | 0.80 | 5.99 | 9.40 |
| Carrying amount of trade receivables net of impairment | 349.24 | 119.19 | 15.26 | 79.58 | 563.28 |

Trade receivables as at 31.03.2020

| Particulars | Below 21 days | Less than 90 Days | 90 to 180 days | More than 180 days | Total |
|--|---------------|-------------------|----------------|--------------------|--------|
| Gross Carrying amount | 162.09 | 467.58 | 54.17 | 49.42 | 733.27 |
| Expected Loss Rate | 0.05% | 1.50% | 5.00% | 5.00% | 0.12 |
| Expected credit loss | 0.08 | 7.01 | 2.71 | 2.47 | 12.27 |
| Carrying amount of trade receivables net of impairment | 162.01 | 460.57 | 51.46 | 46.95 | 721.00 |

Note No: 23(iii) Financial instruments and cash deposits

Investments of surplus funds are made only with the approved counterparties. The company is presently exposed to customer party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The company places its cash equivalents based on the creditworthiness of the financial institutions.

Note No: 23(iv) Liquidity Risk:

Liquidity Risks are those risk that the company will not be able to settle or meet its obligations on time or at reasonable price. In the management of Liquidity risk. The company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of functions in cash flows.

Note No: 23(v) Fund Management

Due to the dynamic nature of the underlying business, the company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Note No: 23(vi) Financial arrangements

The company has access to the following undrawn borrowing facilities

| Particulars | 31.03.2021 | 31.03.2020 |
|--------------------------------------|------------|------------|
| Expiring within one year | | |
| Bank over draft and Other facilities | | |
| Term Loans | | |
| Expiring beyond one year | | |

**Note No: 23(vii) Maturity Profile of Financial Liabilities**

₹ in Lakhs

| Particulars | <1year | 1-5 years | >5 years | Total |
|---------------------------------|---------|-----------|----------|---------|
| As at 31.03.2021 | | | | |
| Deferred Sales tax and MRT Loan | - | 7069.94 | 773.23 | 7843.17 |
| Trade Payables | 2565.13 | - | - | 2565.13 |
| Security Deposits Payables | - | - | - | - |
| Other Financial Liabilities | 1827.31 | - | - | 1827.31 |
| As at 31.03.2020 | | | | |
| Deferred Sales tax and MRT Loan | - | 6580.37 | 845.54 | 7425.91 |
| Trade Payables | 3032.43 | - | - | 3032.43 |
| Security Deposits Payables | - | - | - | - |
| Other Financial Liabilities | 2673.75 | - | - | 2673.75 |

Note No: 23(viii) Foreign Currency Risk / Interest rate risk exposure:

The company is not exposed to any foreign currency risk / Interest rate risk exposure during the year under report.

Note No: 24 Capital Management

For the purpose of the company's Capital management, Capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximize the shareholder's wealth. The company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt.

Capital Management

₹ in Lakhs

| Particulars | 31.03.2021 | 31.03.2020 |
|---|-----------------|-----------------|
| Long term Borrowings | 5947.04 | 5087.99 |
| Current maturities of Long term Liabilities | - | - |
| Short Term Liabilities | 912.92 | 1792.50 |
| Less: Cash and Cash Equivalents | 911.76 | 136.77 |
| Net Debt- A | 5948.21 | 6743.72 |
| Equity Share Capital | 900.00 | 900.00 |
| Other Equity | 4695.96 | 3737.69 |
| Total Equity- B | 5595.96 | 4637.69 |
| Total Capital Employed | 11544.16 | 11381.41 |
| Capital Gearing Ratio | 51.53 | 59.25 |

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans / borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2021 and 31-03-2020.



Note No: 25 Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2021.

A. Directors (including Whole time)

| Name of the Director | Designation |
|------------------------|------------------------------|
| Sri N Krishna Mohan | Chairman & Managing Director |
| Sri K Vijay Kumar | Joint Managing Director |
| Sri V V S R Anjaneyulu | Executive Director |
| Smt K V Naga lalitha | Director |
| Sri K.Sriram | Executive Director |
| Sri P Ramamoorthy | Independent Director |
| Sri K P Patnaik | Independent Director |
| Sri Nemani Gopal | Independent Director |
| Dr A S Narayana | Independent Director |

B. Key Managerial Personnel

| Name of the Key Management Personnel | Designation |
|--------------------------------------|-------------------------------|
| Sri K Vijay Kumar | Joint Managing Director & CEO |
| Sri V V S R Anjaneyulu | Executive Director |
| sri K Sriram | Executive Director |
| Sri P Rajendra Babu | Company Secretary |
| Sri NSRV Prasad | Chief Financial Officer |

C. Companies over which KMP / relatives of KMP exercise significant influence

| Name of the enterprise / Company |
|--|
| M/s Aditya Spinners Limited |
| M/s Envean Leasing and Investments Limited |
| M/s Jitharam Finance and Investments Limited |
| M/s Krishnarama Industrial Investments Limited |

D. Relatives of KMP and Directors

| Name of the relative of KMP | Nature of relationship |
|-----------------------------|----------------------------|
| Smt K V Nagalalitha | W/o Sri K Vijay Kumar |
| Smt V V Nagalakshmi | W/o Sri V V S R Anjaneyulu |
| Sri K Sriram | S/o Sri K Vijay Kumar |

E. Related party balances as on 31.03.2021 (In Lacs)

i. in relation to Remuneration

₹ in Lakhs

| Name of the KMP | 2020-21 | 2019-20 |
|-------------------------------|---------|---------|
| Sri. N Krishna Mohan | 46.00 | 46.00 |
| Sri. K Vijay Kumar | 40.25 | 40.25 |
| Sri. VV S R Anjaneyulu | 40.25 | 40.25 |
| Sri. K Sriram (Remuneration) | 3.42 | |
| Sri. K Sriram (Remuneration) | 24.24 | 34.50 |

ii. In relation to Car Lease Rentals

| Name of the KMP | |
|------------------------|------|
| Sri. VV S R Anjaneyulu | 1.24 |
| Sri. K Vijay Kumar | 0.98 |

iii. In relation to Commission paid

| Name of the Enterprise of KMP | | |
|---|-------|--------|
| M/s Envean Leasing and Investments Limited | 40.93 | 12.24 |
| M/s Sri Narasimha Cements and Power Limited | 88.90 | (4.62) |

iv. In relation to Advance for Purchase of Land

| Name of the Enterprise | | |
|--|----------|----------|
| M/s Envean Leasing and Investments Limited | (790.05) | (790.05) |
| M/s Sri Narasimha Cements & Power Ltd | (672.20) | (672.20) |

v. In relation to Lease Rentals

| Name of the Enterprise | | |
|---|------|------|
| Smt K V Nagalalitha for land use for solar unit | 1.28 | 1.25 |