JAJPUR CEMENTS PRIVATE LIMITED

FINANCIALS FOR THE YEAR 2021-22

Chartered Accountants
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1st, 2nd & 3rd Floor
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INDEPENDENT AUDITOR'S REPORT

To The Members of Jajpur Cements Private Limited
Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

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

- Our opinion on the financial statements does not cover the other information and we 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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

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

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

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

      i. The Company does not have any pending litigations which would impact its financial position.

      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.

      iv.(a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 44(v) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the

Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the note 5 to financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
(UDIN: 22201193AIUBGH3988)

Place: Hyderabad
Date: May 11, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Deloitte Haskins & Sells

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
(UDIN: 22201193AIUBGH3988)

Place: Hyderabad
Date: May 11, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use of assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use of assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and the records examined by us, in respect of buildings constructed on leasehold land and disclosed as property, plant and equipment in the financial statements, the lease agreement of such leasehold is in the name of the Company, where the Company is the lessee in the agreement.

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

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories (except for goods-in-transit, which have been received subsequent to the year-end), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and statements on ageing analysis of the debtors and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investments to companies during the year, in respect of which:

(a) The Company has made investments during the year and details of which are given below:

Particulars	(₹ Lakhs) Investment
Aggregate amount granted / provided during the year:	
- Others	43,220
Balance outstanding as at Balance Sheet date in respect of the above case:	
- Others	31,468

The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any to other entity during the year.

(b) The investments made during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) The Company has not provided any loans or advances in the nature of loans or security to any other entity during the year and hence reporting under clause (iii) (c) to (iii) (f) of the Order is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. The Company has commenced its operational activity in the current year, so in view of the threshold stated in the Companies (Cost Records and Audit) Rules, 2014 maintenance of the cost records is not applicable and hence reporting under clause (vi) of the Order is not applicable.

(vii) (a)Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b)There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

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

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

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

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associates or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associates or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.

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

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (full or partly or optionally) and hence reporting under clause (x)(b) of Order is not applicable to the Company.

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

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

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b)We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2021 and the final internal audit reports were issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

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

(xvii) The Company has incurred cash losses amount to ₹ 1,874 Lakhs during the financial year covered by our audit and ₹ 148 Lakhs in the immediately preceding financial year.

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

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

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ganesh Balakrishnan
Partner
(Membership No.201193)
(UDIN: 22201193AIUBGH3988)

Place: Hyderabad
Date: May 11, 2022

Jajpur Cements Private Limited
Balance Sheet as on March 31, 2022
All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	27,582	5
(b) Capital work-in-progress	41	-	12,371
(c) Intangible assets	3	1	-
(d) Right of use assets	4	566	575
(e) Financial assets			
(i) Investments	5	31,468	-
(ii) Other financial assets	6	661	211
(f) Deferred tax assets (net)	27	545	37
(g) Income tax assets (net)	27	4	-
(h) Other non-current assets	7	9,573	4,893
Total Non-current assets		**70,400**	**18,092**
Current assets			
(a) Inventories	8	1,106	-
(b) Financial assets			
(i) Trade receivables	9	259	-
(ii) Cash and cash equivalents	10	2	907
(iii) Bank balances other than cash and cash equivalents	11	10	9
(iv) Other financial assets	6	1	-
(c) Other current assets	7	9,013	1,392
Total Current assets		**10,391**	**2,308**
TOTAL ASSETS		**80,791**	**20,400**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	10,768	8,193
(b) Other equity	13	(1,512)	32
Total Equity		**9,256**	**8,225**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	18,753	11,970
(ia) Lease liabilities	35	46	46
(iii) Other financial liabilities	15	46,632	-
(b) Provisions	16	7	1
Total Non-current liabilities		**65,438**	**12,017**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	4,050	-
(ia) Lease liabilities	35	4	4
(ii) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		377	40
(iii) Other financial liabilities	15	1,449	102
(b) Provisions	16	3	3
(c) Other current liabilities	18	214	9
Total Current liabilities		**6,097**	**158**
Total Liabilities		**71,535**	**12,175**
TOTAL EQUITY AND LIABILITIES		**80,791**	**20,400**
Corporate information and significant accounting policies	1		
See accompanying notes forming part of the financial statements			

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No: 008072S

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board of Directors

JAJPUR CEMENTS PRIVATE LIMITED HYD

S. Sreekanth Reddy
Managing Director
DIN: 00123889

Dr. S. Anand Reddy
Director
DIN: 00123870

R. Soundararajan
Company Secretary
M. No. F4182

K. Prasad
Chief Financial Officer

Place: Hyderabad
Date: May 11, 2022

Jajpur Cements Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
All amounts are in ₹ Lakhs unless otherwise stated

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	19	231	-
II	Other income	20	728	8
III	**Total Income (I + II)**		**959**	**8**
IV	**Expenses**			
	(a) Cost of materials consumed	21	248	-
	(b) Changes in inventories of finished goods and work-in-progress	22	(204)	-
	(c) Employee benefit expenses	23	28	-
	(d) Finance costs	24	2,459	69
	(e) Depreciation expense	25	179	-
	(f) Power and fuel expenses		77	-
	(g) Freight and forwarding		26	-
	(h) Other expenses	26	199	87
	Total Expenses		**3,012**	**156**
V	**Loss before tax (III - IV)**		**(2,053)**	**(148)**
VI	**Tax expense**			
	(a) Current tax	27	-	-
	(b) Deferred tax (net)	27	(508)	(17)
	Total Tax expense		**(508)**	**(17)**
VII	**Loss after tax (V - VI)**		**(1,545)**	**(131)**
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit and loss			
	(a) Remeasurement of the defined benefit plan	31	1	-
	(ii) Income tax relating to items that will not be reclassified to profit and loss	27	-	-
	Other comprehensive income for the year, net of tax		**1**	-
IX	**Total comprehensive loss (VII + VIII)**		**(1,544)**	**(131)**
X	**Earnings per share (Face value of ₹ 10 each)**			
	Basic and Diluted	36	(1.60)	(0.27)
	Corporate information and significant accounting policies	1		
	See accompanying notes forming part of the financial statements			

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No: 008072S

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS *

JAJPUR CEMENTS PRIVATE LIMITED * HYD * S

For and on behalf of the Board of Directors

S. Sreekanth Reddy
Managing Director
DIN: 00123889

Dr. S. Anand Reddy
Director
DIN: 00123870

R. Soundararajan
Company Secretary
M. No. F4182

K. Prasad
Chief Financial Officer

Place: Hyderabad
Date: May 11, 2022

Place: Hyderabad
Date: May 11, 2022

Jajpur Cements Private Limited
Statement of Changes in Equity for the year ended March 31, 2022
All amounts are in ₹ Lakhs unless otherwise stated

A. Equity share capital

Particulars	Amount
Balance at March 31, 2020	3,868
Changes in equity share capital during the year (Refer Note 36)	4,325
Balance at March 31, 2021	8,193
Changes in equity share capital during the year (Refer Note 36)	2,575
Balance at March 31, 2022	10,768

B. Other equity

Particulars	Reserves and surplus		Other items of other comprehensive income	Total other equity
	Deemed investment in equity	Retained earnings		
Balance at March 31, 2020	254	(91)	-	163
Loss for the year	-	(131)	-	(131)
Balance at March 31, 2021	254	(222)	-	32
Loss for the year	-	(1,545)	-	(1,545)
Other comprehensive income for the year (net of tax ₹ Nil)	-	-	1	1
Balance at March 31, 2022	254	(1,767)	1	(1,512)

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

JAJPUR CEMENTS PRIVATE LIMITED
HYD

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board of Directors

S. Sreekanth Reddy
Managing Director
DIN: 00123889

Dr. S. Anand Reddy
Director
DIN: 00123870

R. Soundararajan
Company Secretary
M. No. F4182

K. Prasad
Chief Financial Officer

Place: Hyderabad
Date: May 11, 2022

Jajpur Cements Private Limited
Statement of Cash Flows for the year ended March 31, 2022
All amounts are in ₹ Lakhs unless otherwise stated

	Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A	**Cash flow from operating activities**				
	Loss before tax		(2,053)		(148)
	Adjustments for				
	Depreciation expense	179		-	
	Finance costs	2,459		69	
	Interest income	(728)		(8)	
			1,910		61
	Operating profit before working capital changes		(143)		(87)
	Changes in working capital				
	Adjustments for (increase)/decrease in operating assets:				
	Trade receivables	(259)		-	
	Inventories	(1,106)		-	
	Other financial assets	(491)		1	
	Other assets	(3,474)		(1,284)	
			(5,330)		(1,283)
	Adjustments for increase/(decrease) in operating liabilities:				
	Trade payables	337		28	
	Other financial liabilities	149		13	
	Provisions	7		3	
	Other liabilities	205		7	
			698		51
	Cash used in operating activities		(4,775)		(1,319)
	Less: Income tax paid		(4)		-
	Net cash used in operating activities		(4,779)		(1,319)
B	**Cash flow from investing activities**				
	Capital expenditure on property, plant and equipment including capital advances	(12,478)		(10,552)	
	Deposits not considered as cash and cash equivalents				
	- Placed	(1)		-	
	- Matured	-		1	
	Investments	(43,220)		-	
	Interest received	30		2	
	Net cash used in investing activities		(55,669)		(10,549)
C	**Cash flow from financing activities**				
	Proceeds from issue of shares (Refer Note 36)	2,575		4,325	
	Proceeds from non-current borrowings	7,813		8,417	
	Repayment of non-current borrowings	(5)		-	
	Proceeds of loan from related party	46,483		-	
	Proceeds from current borrowings (net)	3,025		-	
	Repayment of lease liability	(5)		(5)	
	Finance costs	(343)		(24)	
	Net cash generated from financing activities		59,543		12,713
	Net (decrease)/ increase in cash and cash equivalent (A+B+C)		(905)		845
	Cash and cash equivalent at the beginning of the year		907		62
	Cash and cash equivalent at the end of the year (Refer Note 10)		2		907
	Note:				
	Cash and cash equivalents comprises of:				
	Cash in hand		1		-
	Balances with banks		1		106
	Deposits with banks		-		801
	Cash and cash equivalents (Refer Note 10)		2		907

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CHARTERED ACCOUNTANTS

JAJPUR CEMENTS PRIVATE LIMITED
HYD

Jajpur Cements Private Limited
Statement of Cash Flows for the year ended March 31, 2022
All amounts are in ₹ lakhs unless otherwise stated

Reconciliations of liabilities from financing activities:

Particulars	As at April 01, 2021	Proceeds	Repayment	Fair value changes	As at March 31, 2022
Long term borrowings (including current portion)	11,970	7,813	(5)	-	19,778
Short term borrowings	-	3,025	-	-	3,025
Total liabilities from financing activities	**11,970**	**10,838**	**(5)**	**-**	**22,803**

Particulars	As at April 01, 2020	Proceeds	Repayment	Fair value changes	As at March 31, 2021
Long term borrowings (including current portion)	3,553	8,417	-	-	11,970
Short term borrowings	-	-	-	-	-
Total liabilities from financing activities	**3,553**	**8,417**	**-**	**-**	**11,970**

Reconciliation of lease liability:

Particulars	As at April 01, 2021	Additions	Finance cost accrued during the year	Payment of lease liabilities	As at March 31, 2022
Lease liabilities	50	-	5	(5)	50

Particulars	As at April 01, 2020	Additions	Finance cost accrued during the year	Payment of lease liabilities	As at March 31, 2021
Lease liabilities	50	-	5	(5)	50

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

JAJPUR CEMENTS PRIVATE LIMITED HYD

Place: Hyderabad
Date: May 11, 2022

For and on behalf of the Board of Directors

S. Sreekanth Reddy
Managing Director
DIN: 00123889

Dr. S. Anand Reddy
Director
DIN: 00123870

R. Soundararajan
Company Secretary
M. No. F4182

K. Prasad
Chief Financial Officer

Place: Hyderabad
Date: May 11, 2022

Jajpur Cements Private Limited

Notes to the financial statements

1. Corporate information and significant accounting policies

a) **Corporate Information:**

Jajpur Cements Private Limited ("the Company") was incorporated under the Companies Act, 1956 as a private limited company on July 19, 2010. The Company is engaged in the business of manufacture and sale of cement. The Company has its registered office at Bhubaneshwar, Odisha.

b) **Significant accounting policies**

i) **Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended and other accounting principles generally accepted in India. The Company has consistently applied accounting policies to all periods.

ii) **Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for net realisable value in Ind AS 2 or value in use in Ind AS 36 that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

iii) **Functional and Presentation currency**

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Rounding of amounts

All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

iv) **Use of estimates and Judgements**

In the application of the accounting policies, which are described in Note 1(b), the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable and the associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

- **Useful lives of property, plant and equipment and amortisation of intangible assets**

Depreciation on plant and machinery is calculated on a straight-line basis and property, plant and equipment other than stated above is calculated on a diminishing balance method basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment as estimated by the management. Amortization of intangible assets is calculated on diminishing balance method considering the useful life estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

- **Defined benefit plans**

The liabilities and costs for defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions relating to discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

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JAJPUR CEMENTS PRIVATE LIMITED

- **Recognition of deferred tax assets**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- **Fair value measurement of Financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Provisions and contingencies**

Provisions are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The litigations and claims to which the Company is exposed are assessed by management and in certain cases with the support of external specialised lawyers.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

- **Leases**

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Impairment of investments**

Determining whether the investments, are impaired requires an estimate of the value in use of investments. In considering the factors of the underlying businesses/operations of the investee Companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

- **Inventories**

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories, the Company makes an estimate of future selling prices and costs necessary to make the sale.

- **Expected credit losses**

The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

v) Revenue recognition:

The Company derives revenue from the sale of cement and recognizes when it transfers control over the goods to the customer. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with customers concerned, which is consistent with the market practice.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income / interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts / payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

vi) 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 their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

vii) **Employee benefits**
Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plans:
The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense to the statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans:
For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement
- The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense

Compensated Absences:
The employees of the Company are entitled to compensate absences. The employees can carry-forward a portion of the unutilised accrued compensated absence and utilise it in future periods or receive cash compensation at retirement or termination of employment for the unutilised accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the balance sheet date on projected unit credit method. Compensated absences expected to be maturing after 12 months from the date of balance sheet are classified as non-current.

Short-term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

viii) **Taxation**
Income tax expense represents the sum of current tax and deferred tax. Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises 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.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

ix) **Property, plant and equipment**
Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Freehold land is not depreciated.

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Capital works in progress in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such Capital works in progress are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised 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 recognised in profit and loss.
Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

Depreciation on plant and machinery is charged under straight line method and on other assets depreciation is charged under diminishing balance method, based on the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of asset	Useful lives
Plant and machinery other than continuous process plant	10 - 25 years
Electrical installations	15 Years and 25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company follows the process of componentization for property, plant and equipment. Accordingly, the Company has identified a part of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life has been assessed based on technical advice, taking into account the nature of the asset / component of an asset, the estimated usage of the asset / component of an asset on the basis of management's best estimation of getting economic benefits from those class of assets / components of an asset. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/component of an asset.

Individual assets costing less than or equal to ₹ 5,000 are depreciated in full in the year of acquisition.

x) Intangible assets and amortisation

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a diminishing balance method over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

xi) Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Work-in-progress and finished goods include appropriate proportion of overheads.

The methods of determining cost of various categories of inventories are as follows:

Type of Inventory	Method
Raw materials and coal	Weighted average method
Stores and spares and packing materials	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average method and including an appropriate share of applicable overheads.

xii) Cash and cash equivalents (for purposes of Cash Flow Statement)

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

Cash flows are reported using indirect method whereby profit/ (loss) before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xiii) Foreign currency transactions and translations:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company that are measured in terms of historical cost in a foreign currency are not retranslated.

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JAJPUR CEMENTS PRIVATE LIMITED
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For the purposes of presenting these financial statements, the exchange differences on monetary items arising, if any, are recognised in the statement of profit and loss in the period in which they arise.

xiv) **Financial Instruments:**

(A) Initial recognition:
Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

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 and loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit and loss are recognized immediately in profit and loss.

(B) Subsequent measurement:

Non-derivative Financial Instruments:

a. Financial assets carried at amortized cost: A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income: A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through profit and loss: A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

d. Financial liabilities: Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit and Loss (FVTPL). Interest income is recognised in statement of profit and loss and is included in the "other income" line item.

(C) De-recognition of financial assets and liabilities:

a. Financial assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit and loss if such gain or loss would have otherwise been recognized in profit and loss on disposal of that financial asset.

b. Financial liabilities:
The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

(D) Financial guarantee contract liabilities:

Financial guarantee contract liabilities are disclosed in financial statements in accordance with Ind AS 37 – Provisions, contingent liabilities and contingent assets.

xv) **Derivative Financial Instruments**
The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Any changes therein are recognised in the Statement of Profit and Loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company does not hold derivative financial instruments for speculative purposes.

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xvi) Investments

Investments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

xvii) Impairment of assets

a. Financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and 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 12-month 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 profit and loss.

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognized in the statement of profit and loss.

b. Non-financial assets:

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 CGU to which the asset belongs.

If such assets are 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 assets 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.

xviii) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

xix) Provisions, contingent liabilities and contingent assets

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

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

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

xx) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the

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Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

xxi) Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

xxii) New standards and interpretations

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

a) Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

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

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

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

e) Ind AS 116 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

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2. Property, plant and equipment

Particulars	As at March 31, 2022	As at March 31, 2021
Buildings	10,369	-
Plant and machinery	12,763	-
Furniture and fittings	89	-
Office and other equipment	1,103	-
Electrical installations	3,247	-
Computers	11	5
Total	27,582	5

For the year 2021-22

Description of Assets	Buildings	Plant and Machinery	Furniture and Fittings	Office and other equipment	Electrical Installations	Computers	Total
I. Gross Block							
Opening Balance	-	-	-	-	-	6	6
Add: Additions	10,453	12,809	90	1,121	3,275	10	27,758
Less: Disposals	-	-	-	-	-	-	-
Balance at March 31, 2022	10,453	12,809	90	1,121	3,275	16	27,764
II. Accumulated depreciation							
Opening Balance	-	-	-	-	-	1	1
Add: Depreciation expense	84	46	1	18	28	4	181
Less: Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance at March 31, 2022	84	46	1	18	28	5	182
Net block (I-II)							
Carrying value as at March 31, 2022	10,369	12,763	89	1,103	3,247	11	27,582
Carrying value as at March 31, 2021	-	-	-	-	-	5	5

For the year 2020-21

Description of Assets	Buildings	Plant and Machinery	Furniture and Fittings	Office and other equipment	Electrical Installations	Computers	Total
I. Gross Block							
Opening Balance	-	-	-	-	-	-	-
Add: Additions	-	-	-	-	-	6	6
Less: Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	-	-	-	-	6	6
II. Accumulated depreciation							-
Opening Balance	-	-	-	-	-	-	-
Add: Depreciation expense	-	-	-	-	-	1	1
Less: Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	-	-	-	-	1	1
Net block (I-II)							-
Carrying value as at March 31, 2021	-	-	-	-	-	5	5
Carrying value as at March 31, 2020	-	-	-	-	-	-	-

Pledge on property, plant and equipment:

1. Property, plant and equipment with a carrying amount of ₹ 27,582 (March 31, 2021: ₹ 5) are subject to a pari-passu first charge on the Company's term loans. Refer Note 14.

2. The title deeds of all immovable properties are held in the name of the Company. The Company has not revalued its Property, plant and equipment.

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3. Intangible assets

Particulars	As at March 31, 2022	As at March 31, 2021
Computer software	1	-
Total	1	-

Computer Software:

Particulars	As at March 31, 2022	As at March 31, 2021
I. Gross block		
Opening Balance	-	-
Additions	1	-
Closing Balance	1	-
II. Accumulated amortisation		
Opening Balance	-	-
Amortisation expense	-	-
Closing Balance	-	-
Net block (I-II)		
Carrying Value	1	-

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
4	**Right of use assets**		
	Leasehold land	566	575
	Total	566	575

Leasehold land:

Particulars	As at March 31, 2022	As at March 31, 2021
I. Gross block		
Opening Balance	593	593
Add: Additions	-	-
Less: Deletions	-	-
Closing Balance	593	593
II. Accumulated depreciation		
Opening Balance	18	9
Add: Depreciation expense	9	9
Closing Balance	27	18
Net block (I-II)		
Carrying Value	566	575

Note: Refer Note 34 on operating lease.

Note	Particulars	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Amount	No. of shares	Amount
5	**Investments in debentures**				
	Pridhvi Asset Reconstruction and Securitisation Company Limited 0.01% Non-convertible redeemable debentures (Refer Note (i) & (ii) below)	4,29,600	31,468	-	-
		4,29,600	31,468	-	-

Notes:

(i) During the year, the company invested an amount of ₹ 42,960 in 0.01% Non-cumulative, Non-convertible debentures issued by Pridhvi Asset Reconstruction And Securitisation Company Limited ("ARC" or "PARAS"). The Debentures are secured against Security Receipts invested in by the ARC & lying-in favour of the Debenture Trustee viz., Catalyst Trusteeship Limited. These Debentures are redeemable over a period of 3 years. In the event of default, the security receipts invested in by the ARC would be transferred to the Company.

(ii) At initial recognition, the debentures are measured at fair value. The difference between the fair value at initial recognition and the transaction price is accounted as prepaid asset under Other assets. Accordingly, ₹ 30,866 is accounted as fair value of the debentures and ₹ 12,444 is accounted as prepaid expense. As at March 31, 2022, ₹ 602 (March 31, 2021: ₹ Nil.) has been recognised as interest income and added to cost of debentures.

(iii) The Company has complied with number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
6	**Other financial assets (Unsecured, considered good)**		
	Non-current		
	Security deposits	503	12
	Financial benefit due to guarantee by parent Company	158	199
	Total	661	211
	Current		
	Interest accrued but not due	1	-
	Total	1	-
	Total other financial assets	662	211
7	**Other assets (Unsecured, considered good)**		
	Non-current		
	Capital advances	1,897	4,828
	Advance to suppliers and service providers	71	65
	Prepaid expenses (Refer Note 1 below)	7,605	-
	Total	9,573	4,893
	Current		
	Advances to suppliers and service providers (Refer Note 2 below)	1,338	160
	Prepaid expenses (Refer Note 1 below)	4,607	7
	Balances with government authorities	3,068	1,225
	Total	9,013	1,392
	Total other assets	18,586	6,285
	Note: 1. Net Prepaid Expense as of March 31, 2022 recognised on account of fair value of Debentures subscribed during the year ₹ 11,753 (March 31, 2021: ₹ Nil.) 2. Includes ₹ 1,164 (March 31, 2021: Nil) paid to related party. Also Refer Note 33.		
8	**Inventories (at lower of cost and net realisable value)**		
	Raw materials	625	-
	Coal	25	-
	Stores and spares	3	-
	Packing materials	76	-
	Finished goods	204	-
	Total (A)	933	-
	Goods-in-transit:		
	Raw materials	170	-
	Stores and spares	3	-
	Total (B)	173	-
	Total inventories (A+B)	1,106	-
	Note: Refer Note 1(b)(xi) for basis of valuation of inventory and refer Note 14 for details of inventory pledged.		

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
9	**Trade Receivables**		
	Secured, considered good	59	-
	Unsecured, considered good	200	-
	Unsecured, credit impaired	-	-
	Sub-total	259	-
	Less: Expected credit loss allowance	-	-
	Total trade receivables	259	-

Note: Refer Note 14 for the details of trade receivables pledged.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix. The ageing of the receivables is as follows:

FY 2021-22:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables							
- considered good	259	-	-	-	-	-	259
- which have significant increase in credit risk	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables							
- credit impaired	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total	259	-	-	-	-	-	259

FY 2020-21:

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables							
- credit impaired	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Note	Particulars	As at March 31, 2022	As at March 31, 2021
10	**Cash and cash equivalents**		
	Cash in hand	1	-
	Balances with banks	1	106
	Deposits with banks	-	801
	Total Cash and cash equivalents	2	907
11	**Other bank balances**		
	Margin money deposits (Refer Note below)	10	9
	Total other bank balances	10	9
	Note: Margin money deposits with banks are against bank guarantees.		

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Note	Particulars	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Amount	No. of shares	Amount
12	**Equity share capital**				
	Authorised:				
	Equity shares of ₹ 10 each	11,00,00,000	11,000	11,00,00,000	11,000
	Issued, subscribed and fully paid:				
	Equity shares ₹ 10 each	10,76,80,000	10,768	8,19,30,000	8,193

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Opening Balance	8,19,30,000	8,193	3,86,80,000	3,868
Shares issued during the year (Refer Note 36)	2,57,50,000	2,575	4,32,50,000	4,325
Closing Balance	10,76,80,000	10,768	8,19,30,000	8,193

(b) Rights, preferences and restrictions attached to the equity shares:
The Company has only one class of equity shares having a par value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Sagar Cements Limited and its Nominee shareholders	10,76,80,000	100%	8,19,30,000	100%

(d) Details of shares held by the promoters in the Company and change during the year:

Name of the shareholder	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Sagar Cements Limited	10,76,79,994	100%	-	8,19,29,994	100%	-
Anand Reddy Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-
Sreekanth Reddy Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-
Aruna Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-
Rachana Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-
Vanajatha Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-
Siddarth Sammidi (Nominee of Sagar Cements Limited)	1	0%	-	1	0%	-

(e) There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date.

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
13	**Other equity**		
	Deemed investment in equity	254	254
	Retained earnings	(1,767)	(222)
	Other items of other comprehensive income	1	-
	Total other equity	**(1,512)**	**32**

Movement in other equity is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Deemed investment in equity (Refer Note 37)	**254**	**254**
Retained earnings		
(i) Opening balance	(222)	(91)
(ii) Loss for the year	(1,545)	(131)
	(1,767)	**(222)**
	-	-
Other items of other comprehensive income		
(i) Opening balance	-	-
(ii) Other comprehensive income for the year	1	-
	1	-
Total	**(1,512)**	**32**

Nature of reserves:

(a) Retained earnings

Retained earnings comprises of prior years undistributed earnings after taxes.

(b) Deemed investment in equity

Deemed investment in equity represents the gain on account of corporate guarantee given by Sagar Cements Limited (Holding Company).

(c) Other items of other comprehensive income

Other items of other comprehensive income consist of re-measurement of net defined benefit liability.

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
14	**Non-current borrowings (Secured, at amortised cost)**		
	Term loans from banks	18,753	11,970
	Total non-current borrowings	**18,753**	**11,970**

*Current maturities of non-current borrowings have been disclosed under the head "Current borrowings".

Notes:

As at March 31, 2022

Bank	Loan outstanding	Terms of repayment	Rate of interest
Axis Bank Limited (Refer Note 1 below)	19,700	36 quarterly instalments	8.75%
Vehicle loans from bank (Refer Note 2 below)	78	33 - 36 monthly instalments	7.16%
Less: Current maturities of non-current borrowings	(1,025)		
Total	18,753		

As at March 31, 2021

Bank	Loan outstanding	Terms of repayment	Rate of interest
Axis Bank Limited (Refer Note 1 below)	11,970	36 quarterly instalments	8.85%
Less: Current maturities of non-current borrowings	-		
Total	11,970		

Note:

1. Term loan is secured by first pari-passu charge on the property, plant and equipment owned by or belonging to the borrower Company both present and future, hypothecation of all rights, title and interests of the borrower under all plant documents, contracts, insurance policies, permits/ approvals etc. related to the plant, to which the borrower is party and can be legally assigned and pledged 96,54,000 equity shares of the Company including CCD's and are guaranteed by Dr S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director and corporate guarantee of Sagar Cements Limited.

2. Vehicle Loans from various banks are secured by the hypothecation of specific assets purchased from those loans.

3. The Company has used the borrowings for the purposes for which it was taken.

Particulars	As at March 31, 2022	As at March 31, 2021
Current borrowings (Unsecured, amortised at cost)		
Cash credit facilities (Refer Note below)	3,025	-
Current maturities of non-current borrowings	1,025	-
Total current borrowings	**4,050**	-

Note:

1. The Company has availed cash credit facilities from Axis Bank Limited. This facility is secured by first pari-passu charge against all current assets, present and future, and by second charge on the movable property, plant and equipment of the Company, present and future, Negative lien on the immovable property, plant and equipment of the Company and are guaranteed by Dr. S. Anand Reddy, Director and S. Sreekanth Reddy, Managing Director. The loans are repayable on demand and carries interest @7.60%.
2. The Company has used the borrowings for the purposes for which it was taken.
3. The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account.

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Note	Particulars	As at March 31, 2022	As at March 31, 2021
15	**Other financial liabilities**		
	Non-current		
	Security deposits received	149	-
	Loan from related parties (Refer Note below and 33)	46,483	-
	Total	46,632	-
	Current		
	Interest accrued but not due on borrowings	1,413	34
	Payables on purchase of property, plant and equipment	36	68
	Total	1,449	102
	Total other financial liabilities	48,081	102
	Note: Loan received from Sagar Cements Limited (Holding Company) during the period November 2021 to March 2022 amounting to ₹ 46,483. The company has subscribed to Debentures issued by Pridhvi Asset Reconstruction and Securitisation Company Limited (PARAS) on January 31, 2022 amounting to ₹ 42,960. PARAS is Asset Reconstruction Company.		
16	**Provisions**		
	Gratuity (Refer Note 31)	4	2
	Compensated absences (Refer Note 31)	6	2
	Total provisions	10	4
	Non-current		
	Gratuity	3	-
	Compensated absences	4	1
	Total	7	1
	Current		
	Gratuity	1	2
	Compensated absences	2	1
	Total	3	3
17	**Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	377	40
	Total trade payables	377	40

Trade payables ageing schedule for the year ended March 31, 2022 and March 31, 2021:

FY 2021-22:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	69	274	34	-	-	-	377
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	69	274	34	-	-	-	377

FY 2020-21:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	17	19	4	-	-	-	40
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	17	19	4	-	-	-	40

Notes: Includes ₹ 26 (March 31, 2021: ₹ 13) payable to related party. Also Refer Note 33.

Note	Particulars	As at March 31, 2022	As at March 31, 2021
18	**Other liabilities**		
	Current		
	Advance from customers	44	-
	Statutory remittances	170	9
	Total other liabilities	214	9

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Note	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
19	**Revenue from operations**		
	Revenue from sale of cement (Refer Note 38)	198	-
	Other operating income		
	- Sale of scrap	33	-
	Total revenue from operations	**231**	-
20	**Other income**		
	Interest Income on financial assets measured at amortised cost	728	8
	Total other income	**728**	**8**
21	**Cost of materials consumed**		
	Opening stock	-	-
	Add: Purchases	873	-
	Less: Closing stock	625	-
	Total cost of materials consumed	**248**	-
	Details of materials consumed:		
	Gypsum	4	-
	Fly ash	3	-
	Clinker purchased	184	-
	Slag	57	-
	Total	**248**	-
22	**Changes in inventories of finished goods and work-in-progress**		
	Inventories at the beginning of the year:		
	Finished goods	-	-
	Work-in-progress	-	-
		-	-
	Inventories at the end of the year:		
	Finished goods	204	-
	Work-in-progress	-	-
		204	-
	Net increase	**(204)**	-

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Note	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
23	**Employee benefit expenses**		
	Salaries and wages, including bonus	158	70
	Contribution to provident and other funds (Refer Note 31)	11	6
	Staff welfare expenses	16	9
	Less: Employee benefits capitalised	(157)	(85)
	Total employee benefit expenses	**28**	-
24	**Finance cost**		
	Interest expense	3,118	634
	Less: Borrowing costs on qualifying assets capitalised	(1,424)	(616)
	Interest on deposits from dealers	2	
	Interest on lease liability	5	5
	Other borrowing cost	758	46
	Total finance cost	**2,459**	**69**
25	**Depreciation expense**		
	Depreciation of property, plant and equipment (Refer Note 2)	181	1
	Depreciation on right of use assets (Refer Note 4 and 34)	9	9
	Less: Depreciation expenses capitalised	(11)	(10)
	Total depreciation	**179**	-
26	**Other expenses**		
	Packing materials consumed	12	-
	Repairs and maintenance		
	Plant & equipment	2	-
	Others	11	-
	Selling expenses	17	-
	Rent	4	-
	Insurance	4	-
	Rates and taxes	6	38
	Payment to auditors (Refer note(i) below)	9	8
	Travelling and conveyance	3	-
	Security services	6	-
	Donations and contributions	1	-
	Legal and other professional charges	106	1
	Administrative expenses	17	6
	Printing and stationery	1	-
	Miscellaneous expenses	-	34
		199	**87**
	Note(i):		
	Payment to Auditors (net of taxes) comprises:		
	For audit	8	8
	For other services	1	-
	Total	**9**	**8**

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Note	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
27	**Income tax expense**		
	(a) Income tax recognized in the statement of profit and loss		
	Current tax:		
	In respect of the current year	-	-
		-	-
	Deferred tax		
	In respect of current year origination and reversal of temporary differences	(508)	(17)
		(508)	(17)
	Total tax expense	(508)	(17)

(b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss before tax (A)	(2,053)	(148)
Statutory tax rate in India (B)	26.00%	26.00%
Expected tax expense (C = A*B)	(534)	(38)
Permanent difference		
Effect on income disallowed under Income Tax Act, 1961	(158)	(2)
Effect on expenses disallowed under Income Tax Act, 1961	191	20
Others	(7)	3
Total	26	21
At the effective income tax rate	(508)	(17)
Total Tax expense	(508)	(17)

(c) Movement in deferred tax assets and liabilities for the year 2021-22:

Particulars	Opening balance	(Recognized) / reversed through the statement of profit and loss	Reversed through other comprehensive income	Closing balance
Property, plant and equipment and intangible assets	-	(865)	-	(865)
Others	22	1	-	23
Carry forward business unabsorbed depreciation and business losses	15	1,372	-	1,387
Total Deferred tax asset (Net)	37	508	-	545

Movement in deferred tax assets and liabilities for the year 2020-21:

Particulars	Opening balance	(Recognized) / reversed through the statement of profit and loss	Reversed through other comprehensive income	Closing balance
Others	13	9	-	22
Carry forward business unabsorbed depreciation and business losses	7	8	-	15
Total Deferred tax asset (Net)	20	17	-	37

(d) Income tax assets and liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets	4	-
Income tax liabilities	-	-
Net income tax liabilities	4	-

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28. Contingent liabilities and capital commitments

a) Contingent Liabilities:

The Company has no contingent liabilities as at March 31, 2022 and as at March 31, 2021.

b) Capital Commitments:

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	1,913	12,058

29. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors. The amount of dues payable to micro, small and medium enterprises is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the financial year	Nil	Nil
The amount of interest paid by the buyer under the Act along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act.	-	-

30. Financial Instruments:

The significant accounting policies, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1(b)(xv) to the financial statements.

A. Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balances. The capital structure of the Company consists of net debt (borrowings as detailed in Note 14 & Note 15 offsets by cash and bank balances) and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on monthly basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Description	As at March 31, 2022	As at March 31, 2021
Debt (Refer Note below)	69,286	11,970
Cash and cash equivalents and Other bank balances	12	916
Net debt	69,274	11,054
Total equity	9,256	8,225
Net debt to equity ratio	7.48	1.34

Note: Debt comprises of loans, current and non-current borrowings as disclosed in Note 14 & Note 15.

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B. Categories of financial instruments:

The carrying value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Measured at amortised cost		
(i) Investments	31,468	-
(ii) Trade Receivables	259	-
(iii) Cash and cash equivalents	2	907
(iv) Other bank balances	10	9
(v) Other financial assets	662	211
Total Financial assets	**32,401**	**1,127**

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Measured at amortised cost		
(i) Borrowings (including loan from related parties)	69,286	11,970
(ii) Trade payables	377	40
(iii) Lease liabilities	50	50
(iv) Other financial liabilities	1,598	102
Total Financial liabilities	**71,311**	**12,162**

C. Financial risk management objectives:

The Company's corporate finance function monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (includes interest rate risk), credit risk and liquidity risk. The Company seeks to minimize the effects of these risks through continuous monitoring on day to day basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The corporate finance function reports monthly to the Company's management which monitors risks and policies implemented to mitigate risk exposures.

i) Market risk:

The Company's activities expose it primarily to the financial risk of changes in interest rates. The Company seeks to minimize the effect of this risk through continuous monitoring and take appropriate steps to mitigate the aforesaid risk.

Interest rate risk management:

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's Profit for the year ended March 31, 2022 would decrease/increase by ₹ 346 (for the year ended March 31, 2021: decrease/increase by ₹ 60). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

ii) Credit risk management:

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets.

D. Liquidity risk management:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2022 and March 31, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing short term deposits with appropriate maturities to optimize the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

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Financing facilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Secured bills acceptance facility, reviewed annually		
- amount used	-	-
- amount unused	3,300	-
Total	**3,300**	-
Secured bank overdraft facility reviewed annually and payable at call		
- amount used	3,025	-
- amount unused	1,975	-
Total	**5,000**	-
Secured bank loan facilities (includes Letter of credit issued) with varied maturity dates and which may be extended by mutual agreement		
- amount used*	19,778	14,088
- amount unused	-	5,912
Total	19,778	**20,000**
Unsecured loan from Holding Company		
- amount used	46,483	-
- amount unused	3,517	-
Total	**50,000**	-

* Amount reflected is net of processing fee.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 are as follows:

Particulars	< 1 Year	1 – 2 years	> 2 years
Trade Payables	377	-	-
Lease liabilities	4	4	42
Other financial liabilities	1,449	45	104
Borrowings (including current maturities of non-current borrowings)	4,050	1,028	64,208

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2021 are as follows:

Particulars	< 1 Year	1 – 2 years	> 2 years
Trade Payables	40	-	-
Lease liabilities	4	4	42
Other financial liabilities	102	-	-
Borrowings (including current maturities of non-current borrowings)	-	599	11,371

31. Employee benefits:

The employee benefit schemes are as under:

(i) Defined contribution plan:

Provident Fund

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. Total expense recognized during the year aggregated ₹ 10 (2020–21: ₹ 6). In the financial year 2021-22 and 2020-21, as the project is under implementation, provident fund expenditure of ₹ 9 and ₹ 6 transferred to CWIP respectively.

(ii) Defined benefit plan:

Gratuity:

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss in the period determined.

The following table sets out the amounts recognized in the Company's financial statements as per actuarial valuation as at March 31, 2022 and March 31, 2021:

a) The principal assumptions used for the purposes of actuarial valuations were as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality table	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discounting rate	7.35%	6.46%
Expected average remaining working lives of employees	19.20	10.49
Rate of escalation in salary	8.00%	10.00%
Attrition rate	10.00%	10.00%

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b) Components of defined benefit costs recognized in profit and loss and other comprehensive income:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount recognized in statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	3	2
Interest expense	-	-
Expected return on plan assets	-	-
Defined benefit cost included in profit and loss	3	2
Re-measurement effects recognized in Other Comprehensive Income (OCI):		
Actuarial gain	(1)	-
Components of defined benefit costs recognized in OCI	(1)	-

c) Key Results - Reconciliation of fair value of assets and obligations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of funded defined benefit obligations	4	2
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	4	2

d) Movement in present value of defined benefits obligation are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined benefit obligation at the beginning of the year	2	-
Current service cost	3	2
Interest cost	-	-
Re-measurements - Actuarial gain	(1)	-
Benefits paid out of plan assets and by employer	-	-
Defined benefit obligation at the year end	4	2

e) Maturity profile of defined benefit obligation:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within 1 year	0.51	0.65
1 – 2 years	0.35	-
2 – 3 years	0.09	0.26
3 – 4 years	0.34	0.22
4 – 5 years	0.36	0.06
5 – 10 years	1.87	0.42

f) Sensitivity Analysis:

Sensitivity to significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation at the period end by one percentage, keeping all other actuarial assumptions constant.

Particulars	Defined benefit Obligation			
	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Effect of 1% change in assumed discount rate	3.64	4.25	1.53	1.66
Effect of 1% change in assumed salary rate	4.26	3.62	1.67	1.52
Effect of 1% change in assumed attrition rate	3.81	4.04	1.55	1.63

The Company is expected to contribute ₹ Nil to its defined benefit plans during the next financial year.

Compensated absences:

The accrual for unutilized leave is determined for the entire available leave balance standing to the credit of the employees at the period-end. The value of such leave balance eligible for carry forward, is determined by an independent actuarial valuation and charged to the Statement of Profit and Loss in the period determined.

The key assumptions as provided by an independent actuary, used in the computation of provision for compensated absences are as given below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate	7.35%	6.46%
Salary escalation rate	8.00%	10.00%
Attrition rate	10.00%	10.00%
Mortality tables	IALM (2012-14) (Ultimate)	IALM (2012-14) (Ultimate)

The Company has made provision for compensated absences based on the actuarial valuation.

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32. The Company is exclusively engaged in the business of cement and cement related products. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable business and geographical segment applicable to the Company.

33. Related Party Disclosures:

The list of related parties of the Company is given below:

Name	Relationship
Sagar Cements Limited	Holding Company
Key managerial personnel (KMP):	
Dr. S. Anand Reddy	Director
S. Sreekanth Reddy	Director
Ganesh Katta	Director
Anji Reddy Oruganti	Director
K. Prasad	Chief Financial Officer (CFO)
R. Soundararajan	Company Secretary (CS)
Sagar Cements (M) Private Limited (Formerly known as Satguru Cement Private Limited)	Enterprise where KMP along with their relatives exercise significant influence
RV Consulting Services Private Limited	Enterprise where KMP along with their relatives exercise significant influence

Summary of the transactions and balances with the above parties are as follows:

Nature of transaction	Party Name	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of property, plant and equipment	RV Consulting Services Private Limited	9,670	6,340
Purchase of clinker	Sagar Cements Limited	577	-
Interest expense on loan	Sagar Cements Limited	1,487	-
Loan taken	Sagar Cements Limited	46,483	-
Services received	Sagar Cements Limited	17	-
Reimbursement of expenses paid	Sagar Cements Limited	10	3
Interest expense on corporate guarantee	Sagar Cements Limited	41	45
Purchase of cement	Sagar Cements Limited	262	375
Purchase of stores	Sagar Cements (M) Private Limited	2	1
Rent Expenses	Sagar Cements (M) Private Limited	1	1

Outstanding balances:

Nature of the balance	Party Name	As at March 31, 2022	As at March 31, 2021
Loans taken	Sagar Cements Limited	46,483	-
Trade payables	Sagar Cements Limited	26	13
	Sagar Cements (M) Private Limited	3	-
	Total	**29**	**13**
Advance for raw material	Sagar Cements Limited	1,164	-
Interest accrued but not due on loan taken	Sagar Cements Limited	1,338	-
Capital advances	RV Consulting Services Private Limited	1,718	4,298
Corporate guarantee taken	Sagar Cements Limited	20,000	20,000

34. Operating Lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Operating lease commitments

The Company's lease asset classes primarily consist of leases for land. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

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The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	575	584
Additions	-	-
Depreciation	(9)	(9)
Closing Balance	**566**	**575**

The aggregate depreciation expense on ROU assets is included under depreciation expense in the statement of profit and loss. In the financial year 2020-21, as the project is under implementation, eligible depreciation expenditure transferred to CWIP.

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	50	50
Finance cost accrued during the year	5	5
Payment of lease liabilities	(5)	(5)
Closing Balance	**50**	**50**

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Non-current lease liabilities	46	46
Current lease liabilities	4	4
Total	**50**	**50**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on discounted basis

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within one year	4	4
After one year but not more than five years	15	15
More than 5 years	31	31

35. Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss after tax (₹ in lakhs)	(1,545)	(131)
Weighted average number of equity shares outstanding	9,65,77,260	4,92,47,123
Earnings per share:		
Basic and Diluted (in ₹)	(1.60)	(0.27)

36. During the financial year ended March 31, 2022, the Holding Company has infused ₹ 2,575 into equity of the Company. During the year ended March 31, 2021, the Holding Company has infused ₹ 4,325 into equity of the Company.

37. During the financial year 2019-20, the Holding Company gave corporate guarantee for the loans availed by the Company and on account of the same, the loans were given at concessional rate to the Company. The fair value of the corporate guarantee aggregating to ₹ 254 (March 31, 2021: ₹ 254) has been accounted as deemed investment in equity.

38. Reconciliation of revenue as per contract price and recognised in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue as per Contract price	217	-
Less: Discounts and incentives	(19)	-
Revenue as per statement of profit and loss	**198**	-

- The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 to 60 days. There is no significant financing component in any transaction with the customers.
- The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- The Company does not have any material performance obligations which are outstanding as at the year-end as the contracts entered for sale of goods are for short term in nature.

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39. Capital Work-in-Progress:

(a) Capital Work-in-Progress ageing:

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Particulars	Amount of Capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Particulars	Amount of Capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	10,917	1,314	140	-	12,371

There are no projects where activity has been suspended or completion is overdue or exceeded its cost compared to its original plan.

(b) Capitalisation of expenditure:

During the year, the following amount of expenditures are recognised in the carrying amount of Property, Plant and Equipment/ Capital work-in-progress (CWIP) in the course of its construction.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenditure during construction for projects		
Raw materials consumed	97	-
Power and fuel consumed	93	26
Employee benefits expense	157	85
Rates and taxes	42	10
Depreciation	11	10
Finance costs	1,424	616
Miscellaneous expenses	173	101
Total Pre-operative expenses	**1,997**	**848**
Less: Sale of products / Other income	(181)	(1)
Add: Balance at the beginning of the year	1,228	381
Less: Capitalised during the year	(3,044)	-
Closing balance included in CWIP	-	**1,228**

Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

40. The Board of Directors of the Company in their meeting held on January 31, 2022, accorded its consent for the proposed merger with its Holding Company, Sagar Cements Limited, subject to necessary regulatory approvals to be obtained in due course.

41. Key financial ratios:

Ratio	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% of Variance	Refer Note
Current Ratio	Current Assets	Current Liabilities excl. Current Borrowings	5.08	14.61	(65%)	1
Debt-Equity Ratio	Debt [1]	Net Worth [2]	7.49	1.46	414%	2
Debt Service Coverage Ratio	Earnings before depreciation, interest and tax	Interest expense + Principal repayment [3]	0.24	-	-	-
Return on Equity Ratio (ROE)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.18)	-	-	3
Inventory turnover ratio (times)	Sales of Products and Services	Average Inventory [4]	0.36	-	-	-
Trade Receivables turnover ratio (times)	Sales of Products and Services	Average Trade Receivable [5]	1.53	-	-	-
Trade payables turnover ratio (times)	Purchase	Average Trade Payables [6]	4.40	-	-	-
Net capital turnover ratio	Sales of Products and Services	current assets - current liabilities	0.05	-	-	-
Net profit ratio	Profit after tax	Sales of Products and Services	(780.30%)	-	-	-
Return on Capital employed	Earnings before interest and taxes	Average Capital Employed [7]	0.01	-	-	3
Return on Investments	Income generated from investments	Time weighted average investments	0.01%	NA	-	

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[1] Debt = Long term secured loans + Current maturities of long-term debt + Loan term unsecured loans + Cash credit facilities

[2] Net Worth = Equity share capital + Reserves and Surplus

[3] Excluding refinanced debt for all the loan funds during the period

[4] Average inventory = (Opening + Closing balance) / 2

[5] Average trade debtors = (Opening + Closing balance) / 2

[6] Average trade payables = (Opening + Closing balance) / 2

[7] Capital Employed = Total Assets - Current Liabilities

Notes:

1. The Company had commissioned its integrated plant in March, 2022, Commercial operations are yet to be fully optimised, this resulted into variation in the current ratio.

2. The Company had made further drawal of loan for completion of the project and the Company had taken loan for inorganic and organic growth, this resulted into significant variation in the above reported ratio.

3. The Company had not calculated the ratios for March 31, 2021, since the commercial operations were started during the current financial year.

42. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43. COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. 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 results in determining the possible effects on the inventories, receivables, deferred tax assets and other current assets, that may result from the COVID-19 pandemic. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

44. Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company does not have any transaction with companies struck off.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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45. These financial statements were approved by the Company's Board of Directors on May 11, 2022.

For and on behalf of the Board of Directors

S. Sreekanth Reddy Managing Director DIN: 00123889	**Dr. S. Anand Reddy** Director DIN: 00123870
R. Soundararajan Company Secretary M. No. F4182	**K. Prasad** Chief Financial Officer

Place: Hyderabad
Date: May 11, 2022

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