



**KAMAL
CEMENT**
SINCE 1944



78TH

**ANNUAL REPORT
2022-2023**



**SHREE DIGVIJAY CEMENT
COMPANY LIMITED**

www.digvijaycement.com

Shree Digvijay Cement Co. Ltd stands to be a trusted building materials organization creating value for every stakeholder through excellence. Over the last 78 years, we have strived tirelessly, in a way that creates long term value and excellence through:

- Customer Delight
- Empowering People
- Building Trusted Partnerships
- Sustainable Business Practices

Our values are best represented by our continuous efforts to UPRISE

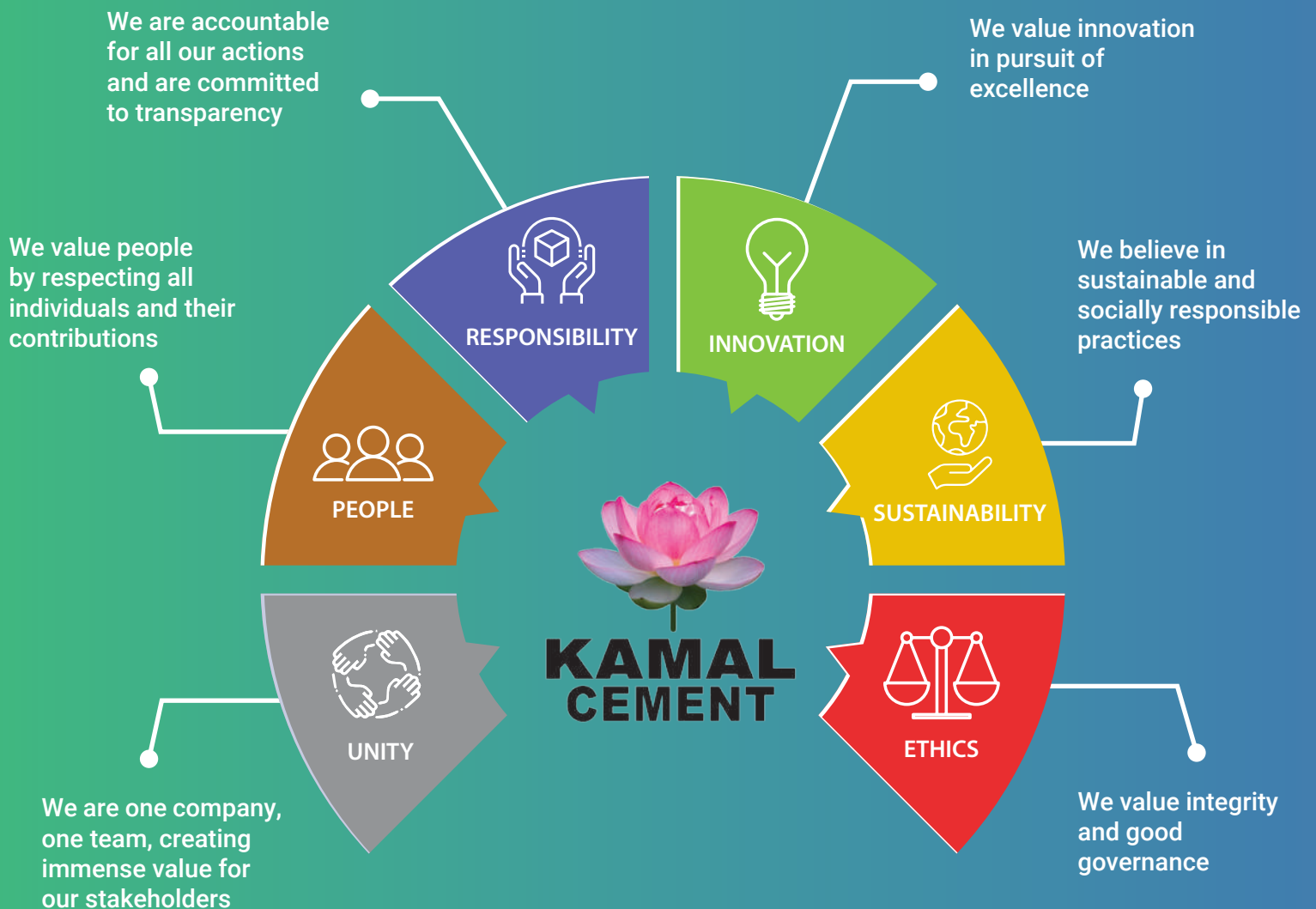


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BOARD OF DIRECTORS



Mr. Anil Singhvi
Executive Chairman

Mr. Singhvi has vast experience in managing and running large corporates, including, long experience in cement and other industries in India. He is a Chartered Accountant and having outstanding professional career. Out of over 41 years of experience, he spent 23 years in building up of Ambuja Cement, where the last position held by him was of the CEO and Managing Director. Mr. Singhvi was awarded Entrepreneur Finalist Award by EY in 2006, and best CFO award by ET.



Mr. Mahesh Gupta
Independent Director

Mr. Gupta has about 4 decades of professional experience in the areas of Business Management and all dimensions of finance, M&As etc.. Mr. Gupta is the Group Advisor at Ashok Piramal Group and oversees all businesses of the Group which comprises of real estate, textiles, cutting tools and renewable energy. He had also been associated with Piramal Enterprises Ltd. for about 17 years. He has also worked with the RPG group as Group CFO and Management Board Member. Mr. Gupta has received a number of recognitions for his business acumen. He was awarded the CFO of the Year Award, Special Commendation for Financial Excellence (Mergers & Acquisitions Category) in 2001 by IMA (formerly known as ELU), New Delhi. He is on the Board of several Public listed Companies.



Mr. Satish Kulkarni
Independent Director

Mr. Satish Kulkarni has rich experience of over 30 years in B2B business, consumer services, channel sales, brand management and marketing. He was Chairman on the Board of SCIB PAINTS, responsible to steer the Board of Egyptian subsidiary of Asian Paints Group. Mr. Satish Kulkarni had joined Asian Paints Ltd. in 1993 and held various positions at Asian Paints, prior to joining the Company's Board in June, 2020. Presently, he works as a Board Member or Board Advisory for a set of companies from diverse industry sectors. He is an Electronics Engineer from Walchand College of Engineering, Sangli and PGDBM from IIM, Ahmedabad.



Ms. Mini Menon
Independent Director
(Till 27th April, 2023)

Ms. Menon is the Co-Founder and Editor of Live History India, a first of its kind digital platform focussed on creating and putting out globally benchmarked, multi-media content on Indian history and cultural legacy. An award winning journalist and author, She has reported on the changing face of politics and business in India for the last 22 years. Her last assignment was as Executive Editor of Bloomberg TV India. Prior to that, Ms. Menon has worked in key roles, setting up and running channels like Times Now & UTVi. She was also part of the core team at CNBC – TV18. A History student from St Stephen's College, Delhi University, Ms. Menon has done her Masters in Communication Studies from the University of Poona and was also a Chevening Scholar.



Ms. Mitu Samar
Independent Director
(From 27th April, 2023)

Ms. Mitu Samar is the Founder of Eminence Strategy Consulting, a company which works with organisations and individuals in building, establishing, and protecting their reputation through stakeholder engagement. She has over two decades of experience in brand positioning and reputation management. She also serves as a director on the boards of several other public companies. As a certified leadership coach, she actively coaches C-Suite leaders on making their presence impactful. She has authored several articles and regularly speaks at various industry forums. Ms. Mitu has pursued a Master's in Economics from Mumbai University and holds a Management degree in Business Administration from SP Jain Institute of Management & Research.



Mr. Pramod Kabra
Non-Executive Director

Mr. Kabra is associated with True North and is based in Mumbai. He is closely involved in supporting and building True North companies across different sectors including Consumer, Logistics and Financial services. Mr. Kabra is a Bachelor of Commerce and a qualified Chartered Accountant. He had earlier worked with Unilever for 23 years, gathering a wide ranging experience in strategy, finance, M & A, supply chain and innovations. He held various leadership positions including that of head of treasury for Asia and Africa region and Board member of the Global Home Care Category Team.



Mr. KK Rajeev Nambiar
CEO & Managing Director

Mr. Nambiar has a rich experience of over 29 years in the cement industry. Prior to joining the Company, he was Director Plant of ACC Limited at its Jamul unit and was associated with ACC for about 20 years. At ACC, he was also responsible for different roles in Operations, Technical area, Engineering, HR, Commercial and Logistics. Some of his outstanding achievements in that organization included the commissioning of largest kiln at ACC Wadi. He is B.E. (Mechanical Engineering) from the National Institute of Technology, Suratkal. He has also done Executive leadership and transformational leadership programmes from IIMA and IMD Luzane Switzerland.



FROM THE DESK OF CHAIRMAN

My Dear Shareholders,

It was another year which posed huge challenge for cement industry due to high prices of energy specifically of petcoke and coal. This eroded the profit margins for cement industry considerably and putting huge pressure on other industries as well. The Ukrainian war has created supply chain disruption like never before raising inflation globally. Inflation in some countries are running at 40 years high.

On other side the industry saw a major shift in terms of change of ownership of 2 large cement companies from MNC to Indian Entrepreneur. As you all know Indian cement industry is the 2nd largest in the world after China and many global players have been interested in having their presence in India and they were successful in buying some Indian cement companies in past. But due to intense competition and low return on capital employed (specially in dollar terms) many have left Indian shores and exit of Holcim, the largest cement player in the world, and second largest in India leaves a big question mark about the low profitability of Indian cement industry.

Cement prices have remained subdued for a very long period of time and if adjusted for inflation they have been negative in past 4-5 years. One had expected cement prices to move up post 3rd wave of Covid as the construction industry and the other infrastructure projects started gathering momentum. But unfortunately cement prices have remained subdued, putting lot of pressure on margins of cement industry.

The ambitious plans of some of the players to enhance capacities in next couple of years bodes well for Capex cycle but will surely put pressure on margins for cement industry if the demand doesn't keep pace and prices remain weak.

I have seen in my 40 years of experience with industry that the returns generated by cement companies in terms of ROE and ROCE have been low and, in many cases, they are even below the cost of capital. (Average lower than 10%)

I am happy to share that in this situation your Company has done extremely well during 2022-23 and have posted an

I am also happy to share with you that with the tremendous efforts made by our management team we have been able to get our environmental clearance for expansion of capacity at Sikka from 1.2 million tons to 3 million tons. This is a major achievement enabling us to further improve on productivity and with minimum capex increase production on sustained basis.



EBIDTA margin of over Rs 800 which is perhaps one of the best in the industry. And as always, our ROE and ROCE and dividend yield remain best in the class.

I am also happy to share with you that with the tremendous efforts made by our management team we have been able to get our environmental clearance for expansion of capacity at Sikka from 1.2 million tons to 3 million tons. This is a major achievement enabling us to further improve on productivity and with minimum capex increase production on sustained basis. Our company is also evaluating various options to enhance our cement capacity to 3 million tons. We will soon complete our evaluation and approach you for your approvals for enhancing the capacity.

Cement being basic building block and we are poised for a sustained growth of over 6%, India will be one of the few countries where economic growth will be one of the best. As you know cement is a proxy for the growth, we remain very optimistic about future growth of cement and of your company.

Sincerely,
Anil Singhvi

17th May, 2023

CORPORATE INFORMATION

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Mahesh Gupta (Chairman)
 Ms. Mini Menon (Till 27th April, 2023)
 Mr. Satish Kulkarni (From 27th April, 2023)
 Mr. Pramod Kabra

NOMINATION AND REMUNERATION COMMITTEE

Mr. Mahesh Gupta (Chairman)
 Ms. Mini Menon (Till 27th April, 2023)
 Mr. Satish Kulkarni (From 27th April, 2023)
 Mr. Pramod Kabra

STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Mini Menon (Chairperson - till 27th April, 2023)
 Ms. Mitu Samarnath Jha (Chairperson - from 27th April, 2023)
 Mr. Pramod Kabra
 Mr. Anil Singhvi

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Anil Singhvi (Chairman - till 27th April, 2023)
 Mr. Satish Kulkarni (Chairman - from 27th April, 2023)
 Ms. Mini Menon (Till 27th April, 2023)
 Mr. Pramod Kabra
 Mr. KK Rajeev Nambiar

RISK MANAGEMENT COMMITTEE

Mr. Mahesh Gupta (Chairman)
 Ms. Mini Menon (Till 27th April, 2023)
 Mr. Satish Kulkarni (From 27th April, 2023)
 Mr. Pramod Kabra

CHIEF FINANCIAL OFFICER

Mr. Vikas Kumar - CFO

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Suresh Kumar Meher
 V.P. (Legal) & Company Secretary

OTHER SENIOR MANAGEMENT TEAM

Mr. P.R. Singh - Sr. V. P. (Marketing)
 Mr. R. Krishnakumar - Sr. V. P. (Manufacturing)
 Dr. Girish Mehta - V. P. (MRM & Logistics)

AUDITORS

BSR and Co.
 Chartered Accountants

COST AUDITORS

M/s Kiran J. Mehta & Co.

INTERNAL AUDITORS

M/s RSM Astute Consulting Pvt. Ltd.

SECRETARIAL AUDITORS

M/s Manoj Hurkat & Associates

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

REGISTERED OFFICE AND WORKS

P.O. Digvijaygram – 361 140
 Via. Jamnagar (Gujarat)
 Tel. (0288) 2344 272 – 2344 275
 Fax No. (0288) 2344 092
 Website: www.digvijaycement.com

CORPORATE IDENTIFICATION NUMBER

L26940GJ1944PLC000749



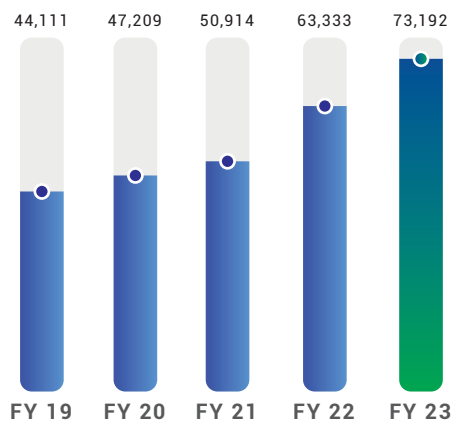
10 YEARS FINANCIAL HIGHLIGHTS

(All Amounts are in Rs. Lakhs, unless otherwise stated)

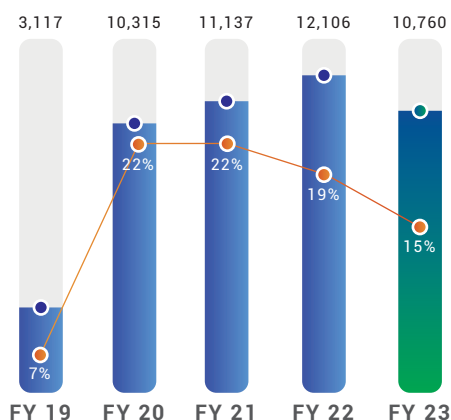
	IND AS							PREVIOUS GAAP		
OPERATING RESULTS	Mar '23 12 mths	Mar '22 12 mths	Mar '21 12 mths	Mar '20 12 mths	Mar '19 12 mths	Mar '18 12 mths	Mar '17 12 mths	Mar '16 15 mths	Dec '14 12 mths	Dec '13 12 mths
Total Revenue (Net of Excise Duty/ Net of GST)	73,192	63,333	50,914	47,209	44,111	41,972	32,704	48,122	42,118	33,784
Material Cost	12,462	11,170	9,639	8,152	9,901	10,268	6,923	10,555	11,777	8,367
Employee Benefit Expenses	3,895	3,767	3,662	3,439	2,899	2,694	2,627	3,469	2,332	2,193
Power & Fuel Cost	27,810	20,870	13,470	13,909	15,456	11,973	10,180	15,130	13,294	12,979
Other Expenses	18,265	15,420	13,007	11,394	12,738	11,617	10,992	14,543	12,223	10,718
Depreciation and Amortisation	3,526	3,140	2,683	2,480	2,399	2,288	2,219	2,580	1,410	1,319
Finance Cost	134	146	159	178	386	1,069	1,147	1,320	717	263
Profit Before Tax and Exceptional Items	7,100	8,820	8,294	7,657	332	2,063	-1,384	525	365	-2,055
Exceptional Items	-	-	-	-	-	-	-	-	-	1,414
Tax Expense	1,329	3,291	2,895	2,014	126	726	-479	-	-	83
Profit After Tax and Exceptional Items	5,771	5,529	5,399	5,643	206	1,337	-905	525	365	-3,552
Other Comprehensive Income	40	1	-38	-41	-85	90	-21	-	-	-
Total Comprehensive Income for the year/period	5,811	5,530	5,361	5,602	121	1,427	-926	525	365	-3,552
Earning Per Share - Basic (in Rs.)	4.00	3.86	3.79	3.99	0.15	0.95	-0.64	0.37	0.26	-2.51
Earning Per Share - Diluted (in Rs.)	3.95	3.78	3.66	3.96	0.15	0.95	-0.64	0.37	0.26	-2.51
Dividend Per Share (in Rs.)	4.00	3.50	2.50	1.50	-	-	-	-	-	-
ASSETS EMPLOYED										
Fixed Assets (Net)	18,872	20,218	19,494	19,734	20,409	20,824	21,713	21,659	21,014	17,329
Other Assets (Net)	27,929	26,024	23,676	18,245	15,585	14,228	16,088	19,720	15,076	14,716
Total Assets	46,801	46,242	43,170	37,979	35,994	35,052	37,801	41,379	36,090	32,045
FINANCED BY										
Share Capital	14,520	14,403	14,229	14,138	14,138	14,138	14,138	14,138	14,138	14,138
Other Equity	17,949	16,821	16,877	13,502	7,834	7,713	6,286	5,696	5,171	4,806
Total Equity	32,469	31,224	31,106	27,640	21,972	21,851	20,424	19,834	19,309	18,944
NUMBER OF EQUITY SHARES	1,452.03	1,440.28	1,422.93	1,413.74	1,413.74	1,413.74	1,413.74	1,413.74	1,413.74	1,413.74

KEY FINANCIAL INDICATORS

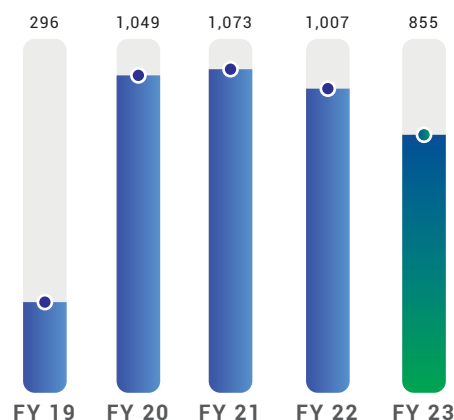
REVENUE GROWTH ₹ In Lakhs



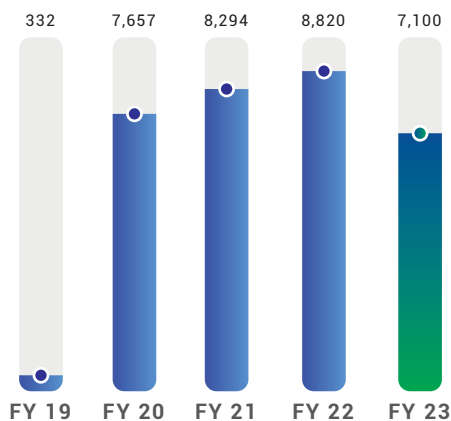
EBITDA / EBITDA MARGIN ₹ In Lakhs



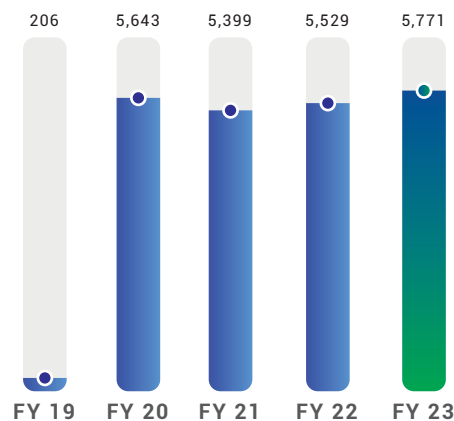
EBITDA PER TON ₹ Per Ton



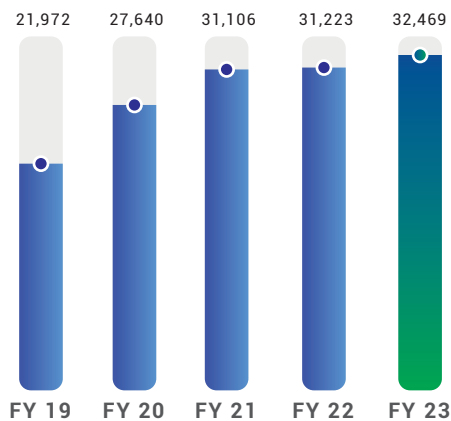
PBT ₹ In Lakhs



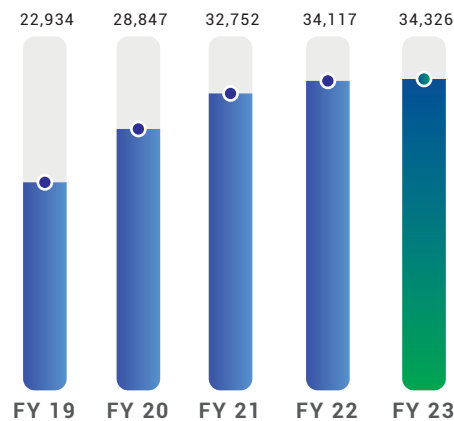
PAT ₹ In Lakhs



NET WORTH ₹ In Lakhs

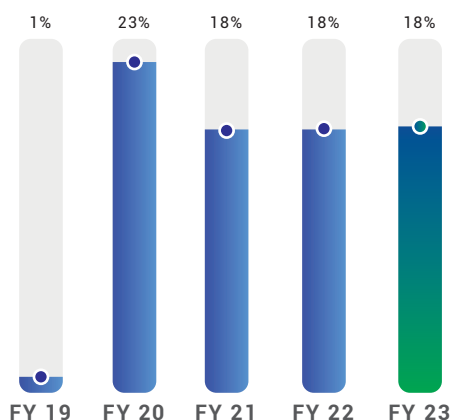


CAPITAL EMPLOYED ₹ In Lakhs

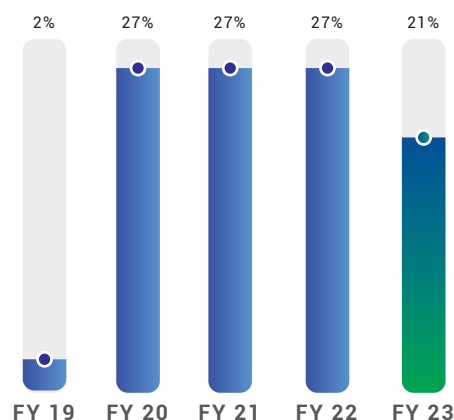




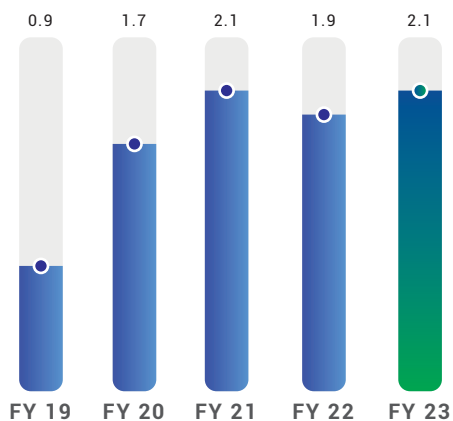
ROE %



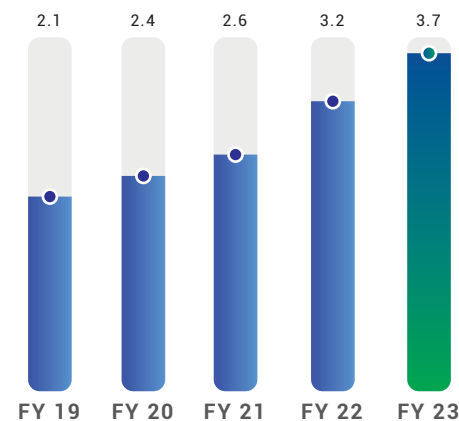
ROCE %



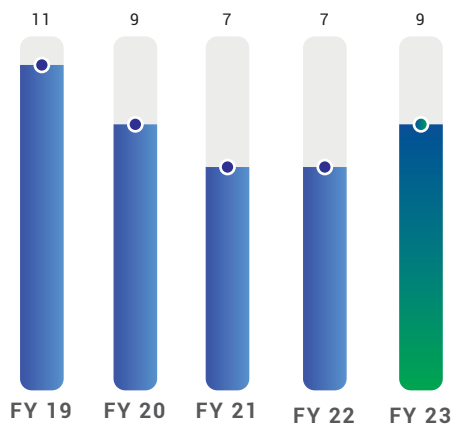
CURRENT RATIO TIMES



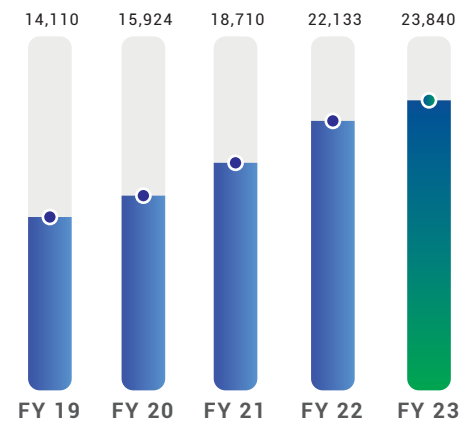
FIXED ASSETS TURNOVER RATIO TIMES



ACCOUNTS RECEIVABLE DAYS Days



CONTRIBUTION TO EXCHEQUER ₹ In Lakhs



Awards and Accolades





NOTICE

NOTICE is hereby given that THE 78TH ANNUAL GENERAL MEETING OF **SHREE DIGVIJAY CEMENT COMPANY LIMITED** (CIN L26940GJ1944PLC000749) (the “**Company**”) will be held on Wednesday, 28th June, 2023 at 10:00 a.m. (IST) through Video Conference (“VC”) / Other Audio-Visual Means (“OAVM”) facility to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:

- (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Auditors thereon.

2. To confirm payment of Interim Dividend already paid for the Financial Year ended 31st March, 2023 and to declare a Final Dividend for the said financial year.

[The Board of Directors of the Company, at their meeting held on 21st October, 2022, declared Interim Dividend of Rs.1.50 (i.e.@15%) per equity share which was already paid during the financial year. In addition, the Board of Directors of the Company, at their meeting held on 27th April, 2023, recommended Final Dividend of Rs.2.50 (i.e.@25 %) per equity share of fully paid-up face value of Rs. 10.00 each for the said financial year.]

3. To appoint a Director in place of Mr. Pramod Kabra (DIN:02252403), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Ms. Mitu Samarnath Jha (DIN 07244627) as an Independent Director:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mitu Samarnath Jha (DIN 07244627), who was appointed as an additional director of the Company w.e.f. 27th April, 2023

by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years i.e. w.e.f. 27th April, 2023 and that she shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.”

5. Appointment of Statutory Auditors and fixing their remuneration:

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s BSR and Co., Chartered Accountants, Mumbai (Firm Registration Number: 128510W) , be and are hereby appointed as the Statutory Auditors of the Company for the second term of 5 (Five) consecutive years to hold office from the conclusion of this 78th (Seventy-eighth) Annual General Meeting till the conclusion of the 83rd (Eighty-third) Annual General Meeting of the Company to be held in the year 2028 and the Board of Directors of the Company be and are hereby authorised to fix such remuneration (alongwith taxes and out of pocket expenses) as may be determined by the Audit Committee in consultation with the Statutory Auditors and such remuneration may be paid on a progressing billing basis to be agreed upon between the Statutory Auditors and the Board of Directors of the Company.”

6. Ratification of Remuneration to Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment

thereof), the Company hereby ratifies the remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand) plus applicable tax and out of pocket expenses actually incurred and payable to M/s. Kiran J. Mehta & Co, Cost Accountants (Firm Registration No. 000025), who have been appointed by the Board of Directors on recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending 31st March, 2024."

By Order of the Board

Suresh Kumar Meher
Vice President (Legal)
& Company Secretary
ACS No.:16938

Place: Digvijaygram

Date : 17th May, 2023

Registered Office:

DIGVIJAYGRAM 361 140

Via: Jamnagar, Gujarat, India

CIN: L26940GJ1944PLC000749

Website: www.digvijaycement.com

Email: investors.sdcccl@digvijaycement.com

NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively, and other circulars issued in this respect ("MCA Circulars") allowed, *inter-alia*, for conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5th January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with these MCA and SEBI Circulars, provisions of the Companies Act, 2013 (the "Act") and the Listing Regulations, the 78th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 78th AGM shall be the Registered Office of the Company.
2. The relative Explanatory Statement, pursuant to Section 102 of the Act, in respect of the Special Business set out under Items Nos. 4, 5 & 6 of the accompanying Notice are annexed hereto.
3. A statement providing additional details of the Director(s) seeking appointment / re-appointment as set out at Item

Nos. 3 & 4 of the Notice dated 17th May, 2023 is annexed herewith as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("ICSI").

4. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM, hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) ("Body Corporates") are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution / Authorisation is required to be sent to the Scrutiniser by e-mail through its registered e-mail address at manojhurkat@hotmail.com with a copy marked at evoting@nsdl.co.in.
6. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of Wednesday, 21st June, 2023.
7. Since the AGM will be held through VC / OAVM, the Route Map of the AGM venue is not annexed to this Notice.
8. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the 78th AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM alongwith the explanatory statement and Annual Report 2022-23 are also available on the website of the Company at www.digvijaycement.com and on the website of RTA at www.linkintime.co.in, on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorized agency for providing voting through electronic means and AGM through VC/OAVM). The Company's web-link on the above will also be provided in advertisement being published in Financial Express (English Language - All India edition) and Financial Express (Gujarati Language).

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022-23 and Notice of the 78th AGM of the Company, may send request to the Company's email address at investors.sdcccl@digvijaycement.com mentioning Folio No./ DP ID and Client ID.



9. The Members can join the AGM through VC / OAVM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through electronic mode will be made available for 1,000 members on first come first served basis. It may be noted that the large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors are allowed to attend the AGM without restriction on account of first come first served basis.
10. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors.sdcccl@digvijaycement.com from Wednesday, 21st June, 2023 (9:00 a.m. IST) to Saturday, 24th June, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session. Hence, Members are encouraged to send their questions/queries in advance to the Company at investors.sdcccl@digvijaycement.com on or before Saturday, 24th June, 2023, which would be replied by the Chairman at the time of the meeting. For this purpose, it would not be necessary to register as speaker.
12. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Wednesday, 21st June, 2023 through e-mail at investors.sdcccl@digvijaycement.com. The same will be replied by the Company suitably during 78th AGM.
13. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 22nd June, 2023 to Wednesday, 28th June, 2023 (both days inclusive).
14. Final Dividend on Company's Equity shares for the year ended 31st March, 2023, as recommended by the Board of Directors, if approved at the AGM, will be payable (subject to deduction of tax at source) as under:
- i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Wednesday, 21st June, 2023.
- ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Wednesday, 21st June, 2023.
- The Final Dividend, if approved, will be payable by 6th July, 2023.
15. As per the provisions of the Act, dividends that are unclaimed/unpaid for a period of seven (7) years from the date of their transfer to the unclaimed/unpaid dividend account are required to be transferred to the Investor Education and Protection Fund ('IEPF') administered by the Central Government.
- Further, pursuant to the provisions of Section 124 of the Act read with the relevant Rules made thereunder, shares on which dividend has remained unpaid or unclaimed for seven (7) consecutive years shall be transferred to the IEPF as notified by the Ministry of Corporate Affairs.
- The Company currently has no unclaimed dividends that need to be transferred to the Investor Education & Protection Fund (IEPF), since dividend was declared by the Company for the year 2019-20 after a gap of almost 33 years.
- The due dates for transfer of unclaimed and unpaid dividends are as under:

Financial year ended	% of Dividend	Date of declaration of dividend	Due date for transfer to IEPF
2019-20	15%	30 th June, 2020	6 th August, 2027
2020-21	25%	18 th June, 2021	24 th July, 2028
2021-22 (Interim Dividend)	15%	27 th October, 2021	3 rd December, 2028
2021-22 (Final Dividend)	20%	27 th April, 2022	3 rd June, 2029
2022-23 (Interim Dividend)	15%	21 st October, 2022	27 th November, 2030

Members who have not encashed their dividend warrants/demand drafts so far in respect of the aforesaid periods,

are requested to make their claims to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company having its address at C-201, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083, ('RTA'/ 'Link Intime') or to the Company, well in advance of the above due dates. Pursuant to the provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2023 on the website of the Company at www.digvijaycement.com and also on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

16. SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ IMPS/ NEFT etc.

In order to receive the dividend without any delay, the Members holding shares in physical form are requested to submit particulars of their bank accounts in 'Form ISR – 1' along with the original cancelled cheque bearing the name of the Member to Link Intime / Company to update their bank account details and the eligible shareholders holding shares in demat mode are requested to update with their respective DPs before Wednesday, 21st June, 2023.

17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime having address at Link Intime India Private Limited, C-201, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083, in case the shares are held by them in physical form.
18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.

19. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company and RTA. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.

20. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

21. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, e-mail address etc. to the RTA at the following address:

Link Intime India Private Limited
(Unit: Shree Digvijay Cement Company Limited)
C-201, 247 Park, LBS Marg,
Vikhroli (West)
Mumbai – 400 083

If the shares are held in electronic form, then change of address and change in the bank accounts etc. should be furnished to their respective DPs.

22. Pursuant to the Income Tax Act, 1961 as amended, dividend income is taxable in the hands of the shareholders and the Company is required to deduct tax at source on dividend paid to the Members at the prescribed rates. For the prescribed rates for various categories, please refer to the Income Tax Act, 1961 and the amendments thereof. The Members of the Company are requested to kindly go through the important communication of the Company with respect to deduction of tax at source on dividend which is available on the Company's website at <https://digvijaycement.com>.
23. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Shareholders can upload the aforesaid documents, as applicable, on the following link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 24th June, 2023 to enable the Company to determine the appropriate TDS rates. To avail the benefit



of non-deduction of tax at source, Shareholders may also write to rnt.helpdesk@linkintime.co.in by 11:59 p.m. IST on Wednesday, 21st June, 2023. No communication on the tax determination/deduction received post 24th June, 2023 shall be considered for payment of the Dividend. It is advisable to upload the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rnt.helpdesk@linkintime.co.in or to investors.sdccl@digvijaycement.com. The aforesaid declarations and documents need to be submitted by the Shareholders by 11:59 p.m. IST on Wednesday, 21st June, 2023.

Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

24. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, SS-2 issued by the ICSI and Regulation 44 of the Listing Regulations read with the MCA Circulars, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice.
25. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 21st June, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 21st June, 2023, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

26. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing Companies to send documents to their Members in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, Members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their e-mail address. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at www.digvijaycement.com. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.
27. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd. at <https://www.linkintime.co.in>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

Members, who have not yet exchanged their old Share certificates of Rs.100/- Face value with Sub divided Share certificates of Rs.10/-Face value are requested to surrender their old Share Certificate(s) for exchange. Such Members are requested to contact the Company's Registrar and Share Transfer Agent – M/s. Link Intime India Private Limited, in this regard.

28. **Instructions for e-voting and attending the AGM through VC/OAVM are annexed to this Notice.**

By Order of the Board

Suresh Kumar Meher
Vice President (Legal)
& Company Secretary
ACS No.:16938

Place : Digvijaygram
Date : 17th May, 2023

EXPLANATORY STATEMENT:

[Pursuant to Section 102 of the Companies Act, 2013 ("Act")]

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4, 5 & 6 of the accompanying Notice dated 17th May, 2023.

Item No. 4

Appointment of Ms. Mitu Samarnath Jha (holding DIN 07244627) as an Independent Director:

Pursuant to the Regulation 25(6) of SEBI (LODR) Regulations, 2015, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 27th April, 2023, appointed Ms. Mitu Samarnath Jha (DIN 07244627) as an Additional Director in the category of "Non-Executive Independent Director" effective from 27th April, 2023.

Pursuant to Section 161 of the Companies Act, 2013 and Article 109 of the Articles of Association of the Company, Ms. Mitu Samar shall hold her office of Director till the date of ensuing Annual General Meeting. Notice have been received from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Mitu Samar for the office of the Director of the Company.

Pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mitu Samar is proposed to be appointed as an Independent Director of the Company to hold office for a period of 5 years i.e. w.e.f. 27th April, 2023 and upto the date of 83rd Annual General Meeting in the year 2028 and she shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.

Ms. Mitu Samar has also submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and provisions of the SEBI Listing Regulations. The Board has also considered such declarations and has formed opinion that she fulfils the criteria of independence and are independent from management.

In view of the two decades of experience in brand positioning and reputation management and having worked with well-known companies including CRISIL, Standard & Poor's etc., it is desirable that the Company should avail the benefits of her association with the Company.

In view of the above, the Board recommends adoption of resolution set out at Item No. 4 of the accompanying Notice of Annual General Meeting as a Special Resolution. Accordingly,

the approval of the Members is sought to appoint Ms. Mitu Samar as an Independent Director of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Ms. Mitu Samar, are in any way, concerned or interested, financially or otherwise in the Resolution.

Other details required to be given as per under relevant Regulations of SEBI Listing Regulations and Secretarial Standard on General Meetings are given in the notes to the Notice of the Annual General Meeting.

Item No. 5

Appointment of Statutory Auditors and fixing their remuneration:

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Members of the Company at the 73rd Annual General Meeting (AGM) held on 7th September, 2018 had appointed M/s. BSR & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No.116231W/W-100024) as the Statutory Auditors of the Company for a period of 5 (five) years, commencing from conclusion of 73rd AGM till the conclusion of 78th AGM to be held in the year 2023. Therefore the term of M/s. BSR & Associates LLP as the Statutory Auditors of the Company will expire in this AGM. It is proposed to appoint M/s. BSR & Co., Chartered Accountants, Mumbai (Firm Registration No. 128510W), a member entity of B S R & Affiliates, as the Statutory Auditors of the Company.

In terms of the provisions of Section 139 of the Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two terms of five consecutive years.

BSR and Co. Chartered Accountants, Mumbai ("BSR") is partnership firm having firm registration no. as 128510W. BSR is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. BSR is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi.

After evaluating and considering various aspects of the audit firm like industry experience, market standing of the firm, clientele served, technical knowledge, competency of the audit team, independence etc., the Board of Directors, pursuant to the recommendation of the Audit Committee, at its meeting held on 27th April, 2023, approved the appointment of M/s. BSR & Co. , Chartered Accountants, as the Statutory Auditors of the Company for the second term of five consecutive years, to hold office from the conclusion of this 78th AGM till the conclusion of



the 83rd AGM of the Company to be held in the year 2028 at such remuneration as may be decided by the Board plus travelling and other incidental expenses that may be incurred by them in connection with the Audit. The reappointment is subject to approval of shareholders of the Company.

BSR have given their consent to act as Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested in the resolution as set out at Item No. 5 of the Notice.

The Board of Directors, therefore, recommends the resolution set out at Item No. 5 to be passed as an Ordinary Resolution by the members.

Item no. 6

Ratification of Remuneration to Cost Auditor

The Board of Directors at their meeting held on 27th April, 2023, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Kiran J Mehta & Co, Cost Accountants, Ahmedabad as the Cost Auditors to conduct the audit of Cost records of the Company for the financial year ending on 31st March, 2024 on a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand) plus out of pocket expenses actually incurred for the purpose of such audit.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 ("Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Kiran J Mehta & Co. has furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous years under the provisions of the Act.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for remuneration to the Cost Auditor for the financial year ending on 31st March, 2024.

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

The Board recommends adoption of resolution set out at Item No. 6 of the accompanying Notice of Annual General Meeting as an Ordinary Resolution.

By Order of the Board

Suresh Kumar Meher
Vice President (Legal)
& Company Secretary
ACS No.:16938

Place : Digvijaygram
Date : 17th May, 2023

A STATEMENT GIVING ADDITIONAL DETAILS OF THE DIRECTORS SEEKING APPOINTMENT AND REAPPOINTMENT AS SET OUT AT ITEMS NO. 3 & 4 OF THE NOTICE:

Details of Director(s) seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings].

Name of Directors:	Mr. Pramod Kabra	Ms. Mitu Samarnath Jha
Director Identification Number (DIN)	002252403	07244627
Date of Birth	20 th October, 1959	2 nd January, 1979
Nationality	Indian	Indian
Date of Appointment	30 th April, 2019	27 th April, 2023
Qualification	FCA	Master's in Economics and Management degree in Business Administration
Expertise in specific functional area	Strategy, Finance, M & A and Supply Chain Management	Consulting, brand positioning and reputation management
List of the directorships held in other companies*	1. Atria Convergence Technologies Ltd. 2. Fincare Small Finance Bank Ltd.	1. Times Guaranty Ltd. 2. Times Internet Ltd. 3. Aegon Life Insurance Co. Ltd.
Name of listed entities in which person also holds directorship*	None	Times Guaranty Ltd.
Chairman / Member in the Committees of the Boards of companies in which he is Director*	Atria Convergence Technologies Ltd. <i>Member:</i> Audit Committee	Times Guaranty Ltd. <i>Chairperson:</i> Audit Committee <i>Member:</i> Stakeholders' Relationship Committee
Number of Board Meetings attended during the year 2022-23	4 (four)	NA
Relationships between Directors Inter-Se	None	None
No. of Shares held in the Company	NIL	NIL
Remuneration details (Including Sitting Fees & Commission) during the financial year	Not applicable	Not applicable

**Directorship includes Directorship of Public Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).*

Details of core skills and expertise of the Board of Directors have been given in Corporate Governance Report included in this Annual Report, which forms part of Directors' Report. The same may be referred to for the skill and capabilities required by the Independent Director and the manner in which Ms. Mitu Samar meets such requirement.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Saturday, 24th June, 2023 at 9:00 A.M. (IST) and ends on Tuesday, 27th June, 2023 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 21st June, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being 21st June, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

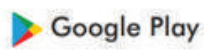
Step 1: Access to NSDL e-Voting system**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note:

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33



B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company, which is 124024 for you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to manojhurkat@hotmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will

be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors.sdcl@digvijaycement.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors.sdcl@digvijaycement.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER :-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**.

After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors.sdccl@digvijaycement.com. The same will be replied by the company suitably.

DIRECTORS' REPORT

Dear Shareholders,

Your Board of Directors has immense pleasure in presenting 78th Annual Report on business and operation of Shree Digvijay Cement Company Limited ("Company") along with the audited standalone & consolidated financial statements for the year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS:

The financial highlights for the year under report are as under:

Particulars	Standalone		Consolidated	
	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022
Revenue from Operations (Gross) including Other Income	73,191.82	63,332.95	73,378.05	63,332.95
Operating Expense	62,432.04	51,226.59	62,570.73	51,228.05
Operating Profit (EBITDA)	10,759.78	12,106.36	10,807.32	12,104.90
Depreciation / Amortization	3,525.96	3,140.28	3,525.96	3,140.28
Interest	133.67	145.62	133.67	145.62
Profit Before Tax	7,100.15	8,820.46	7,147.69	8,819.00
Tax Expenses	1,328.85	3,291.37	1,339.65	3,291.37
Profit for the year	5,771.30	5,529.09	5,808.04	5,527.63
Other Comprehensive Income/(Expense) (OCI)	39.98	0.43	39.98	0.43
Total Comprehensive Income/(Expense) for the year	5,811.28	5,529.52	5,848.02	5,528.06
Opening balance in retained earnings	5,635.21	6,829.25	5,630.57	6,826.07
Deferred Tax on ESOP	280.46	0.00	280.46	0.00
Transfer to General Reserve	0.00	(1,000.00)	0.00	(1,000.00)
Dividends (including tax)	(5,045.10)	(5,723.56)	(5,045.10)	(5,723.56)
Closing balance in retained earnings	6,681.85	5,635.21	6,713.95	5,630.57

(Rs. in lakhs)

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

The Company's total income for the year stood at record Rs. 73,191.82 lakhs, 15.57% higher over the previous year driven by comparative higher sales volume.

Profit before tax for the year was Rs. 7,100.15 lakhs as compared to Rs. 8,820.46 lakhs in previous year. Profit after tax for the year was Rs. 5,771.30 lakhs as compared to Rs. 5,529.09 lakhs in the previous year.

The growth was recorded mainly due to higher sales volume and sustainable plant operations. Combined with the highest ever blended and special products sales led to the consolidation of top line growth and profitability. Improved plant performance by debottlenecking & asset optimisation and keeping the cost under control increases productivity and profitability.

PRODUCTION AND SALES:

(In lakhs MT)

Particulars	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022
Production:		
• Cement	12.74	11.99
• Clinker	9.74	9.58
Sales:		
• Cement	12.59	12.02
• Clinker	0.09	0.39

During the year under review, Cement production was 12.74 lakhs MT as against 11.99 lakhs MT in previous year. Clinker



production was 9.74 lakhs MT as against 9.58 lakhs MT in the previous year. The Company achieved ever high Cement Sale of 12.59 lakhs MT as against 12.02 lakhs MT in the previous year.

There has not been any change in the nature of the business of the Company.

EXPANSION OF EXISTING MANUFACTURING FACILITIES:

Your Board of Directors is happy to inform that the Company has received Environmental Clearance (EC) from the Ministry of Environment, Forest and Climate Change for capacity expansion of existing facilities of the Company as follows:

Facilities	From	To
Cement Plant	1.20 MTPA	3.00 MTPA
Clinker Plant	1.10 MTPA	2.21 MTPA
Power Generation from Waste heat	8.50 MW	8.50 MW

DIVIDEND:

Interim Dividend

In view of encouraging performance, healthy retained earnings & cash position and the confidence of sustaining its performance going forward, during the year the Board declared an Interim Dividend of Rs. 1.50 (i.e. @15%) per equity share on 14,43,02,778 equity shares of Rs. 10/- each, aggregating to Rs. 2,164.54 lakhs.

Final Dividend

The Board of Directors is now pleased to recommend a Final Dividend of Rs. 2.50 (i.e. @25%) per equity share on 14,52,02,778 equity shares of Rs. 10/- each for the year ended 31st March, 2023, aggregating to Rs.3,630.07 lakhs, payable to those Shareholders whose names appear in the Register of Members as on Record Date i.e. 21st June, 2023.

Thus, the aggregate dividend for the year 2022-23 is Rs.4 (i.e. @ 40%) per equity share of Rs. 10/- each with a total pay-out of Rs. 5,794.61 lakhs and pay-out ratio of 40%.

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), the Company has formulated a Dividend Distribution Policy ("Policy"). The Dividend recommendation is in accordance with the Policy of the Company. The Policy is available on the Company's website and can be accessed at <https://www.digvijaycement.com/wp-content/uploads/2021/12/Dividend-Distribution-Policy.pdf>

TRANSFER TO RESERVES:

During the year under review the Company has not transferred any amount from Retained Earnings to General Reserves.

SHARE CAPITAL:

During the year, the paid-up Equity Share Capital of the Company increased from Rs. 1,44,02,77,780/- (14,40,27,778 Equity Shares of Rs. 10/- each) to Rs. 1,45,20,27,780/- (14,52,02,778 Equity Shares of Rs 10/- each). The increase in share capital was on account of issue and allotment of fresh 11,75,000 equity shares of face value of Rs. 10/ each, arising out of exercise of equivalent no. of stock options by eligible employees of the Company under "SDCCL Employee Stock Option Plan 2019" ("ESOP Plan").

The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares to the Employees or Directors of the Company, other than under ESOP Plan.

No disclosures is required under Section 67(3)(C) of the Companies Act, 2013 ("Act") in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

CONTRIBUTION TO THE EXCHEQUER

Your Company over the years has been enabling significant contribution to various taxes. During the financial year 2022-23, your Company has made the tax contribution of Rs. 23,839.58 lakhs, in aggregate in the form of taxes, duties, cess, royalty etc. to the State and Central Government.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As of 31st March, 2023, the Company has a Wholly Owned Subsidiary ("Subsidiary") company viz. SDCCL Logistics Limited (CIN No. U63000GJ2020PLC115066). During the year SDCCL Logistics has also started operations utilizing our captive port at Sikka by way of handling cargo with regard to import of gypsum of 33,000 MT.

However, above Subsidiary is not a material subsidiary company as per the thresholds of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

The Policy for determining Material Subsidiaries adopted by the Board pursuant to Regulation 16 of the Listing Regulations, can be accessed on the Company's website at <https://www.digvijaycement.com/policies/>.

CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements of the Company and its Subsidiary for the Financial Year 2022-23 are prepared in compliance with the Section 129(3) read with Schedule III of the Act and Rules made thereunder, including Indian Accounting Standards specified under Section 133 of the Act. The audited consolidated Financial Statements together with the Auditors' Report thereon forms part of the Annual Report.

Pursuant to Section 129(3) of the Act read with the rules made there under, a statement containing salient features of the Financial Statements of the Subsidiary is disclosed in Form AOC - 1 in this Annual Report.

The Financial Statements of the Subsidiary company is available for inspection by the Members at the Registered Office of the Company pursuant to the provisions of Section 136 of the Act. The Company shall provide, free of cost, a copy of the Financial Statements of its Subsidiary company to the Members upon their request. The statements are also available on the website of the Company and can be accessed at www.digvijaycement.com under the 'Investors' section.

FINANCIAL LIQUIDITY AND CREDIT RATING:

Cash and cash equivalent as on 31st March, 2023 was Rs. 1,238.89 lakhs (excluding fixed deposits of Rs. 9,953.81 lakhs for a term exceeding 3 months) vis-à-vis Rs. 1,285.29 lakhs in the previous year (excluding fixed deposits of Rs.7,992.15 lakhs).

Total cash and bank balance as on 31st March, 2023 was Rs. 11,192.70 lakhs vis-à-vis Rs. 9,277.44 lakhs in the previous year.

During the year the Company has applied and obtained Long Term and Short-Term Credit rating from CRISIL for the total bank loan facility of Rs. 100 crores. CRISIL has assigned CRISIL A/Stable for long term rating and CRISIL A1 for short term rating.

The Company's working capital management is robust and involves a well-organized process, which facilitates continuous monitoring and control over receivables, payables, inventories and other parameters.

DEPOSITS:

Your Company has neither accepted any deposits during the year under report nor did any deposits remain unpaid or unclaimed at the end of the year.

LOANS, GUARANTEES AND INVESTMENTS:

Your Company has neither given any loan or guarantee nor has made any investment, except investment in its Subsidiary as appearing under Note no. 5 of this report, during the year under report attracting the provisions of Section 186 of the Act.

NUMBER OF MEETINGS:

Meetings of Board and its Committees are held as per statutory requirements and as per business needs. A calendar of meetings is circulated in advance to the Directors to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board and Committees have also been approving several proposals by circulation from time to time.

Board Meeting

During the year, four Board Meetings were convened and held on 27th April, 2022, 1st August, 2022, 21st October, 2022 and

27th January, 2023, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act, Secretarial Standards – 1 (SS-1) issued by the Institute of Company Secretaries of India and Listing Regulations.

The Company has the following six (6) Board-level Committees, which have been established in compliance with the relevant provisions of applicable laws and as per business requirements:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Stakeholders' Relationship Committee
5. Corporate Social Responsibility (CSR) Committee
6. Committee of Directors for routine matters

Audit Committee

The Audit Committee comprises of three members, with majority of Independent Directors. The Chairman of the Committee is an Independent Director. The Committee met four times during the year.

Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee comprising of three members, all members of which are Non-Executive Directors and two-third members are Independent Directors. The Committee met once during the year.

Risk Management Committee

The Risk Management Committee comprises of three members, with majority of Independent Directors. The Chairman of the Committee is an Independent Director. The Committee met twice during the year.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee of Directors comprises of three members, with majority of Non-Executive Directors. The Chairman of the Committee is an Independent Director. The Committee met once during the year.

Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of four members, of which one is Independent Director. The Committee met once during the reporting period.

More details about all the Committees of the Board, including details of the role and responsibilities of Committees, the particulars of meetings held and attendance of the Members at such meetings are stated in the Corporate Governance Report, which forms part of the Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

- (a) in preparation of Annual Accounts for the financial year ended 31st March, 2023, the applicable Indian Accounting Standards (Ind AS) have been followed along with proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the 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 fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- (f) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy, *inter alia*, for nomination and appointment (including remuneration) of Directors, senior management and key managerial personnel of the Company. The details of Nomination and Remuneration Policy is stated in the Corporate Governance Report and uploaded on website of the Company at <https://www.digvijaycement.com/policies/>.

The Board of Directors of the Company follows the criteria for determining qualification, positive attributes, independence of Directors as per Nomination and Remuneration Policy and the Board Diversity Policy and other applicable policies of the Company.

Directors are appointed /re-appointed with the approval of the Members for a term in accordance with the provisions of the law and the Articles of Association of the Company. The initial

appointment of CEO and Managing Director is generally for a period of three years. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise specifically provided under the Articles of Association or under any statute or terms of appointment. One third of the Directors who are liable to retire by rotation, retire at every annual general Meeting and are eligible for re-appointment.

Further details on election process, appointment of Directors and the details of remuneration paid to Directors and Managerial Personnel forms part of the Corporate Governance Report.

CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES:

Details of contracts/arrangement with the Related Parties are appearing under Note no. 35b and form part of this report. All related party transactions that were entered into during the year under report were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Related Party Transactions are placed before the Audit Committee as also before the Board, wherever required, for their approval. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The Company's management ensures total adherence to the approved Policy on Related Party Transactions to establish Arm's Length Basis without any compromise.

The Company has not entered into any transaction with any person or entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company.

Pursuant to the provisions of Section 188(1) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of material contracts and arrangements entered between the Company and the Related Parties are annexed herewith as Form AOC-2 in **Annexure A**.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments in terms of Section 134(3)(l) of the Act, affecting the financial position of the Company between the end of the financial year of the Company as on 31st March, 2023 and the date of this report i.e. 27th April, 2023.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

It has been the Company's endeavor to focus of energy conservation and efficiency measures and accordingly were undertaken in various areas of the cement manufacturing during the year.

Information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134(3)(m) of the Act are annexed hereto as **Annexure B** and form part of this report.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto as **Annexure C**.

In accordance with the provisions of Sections 197(12) & 136(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list pertaining to the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, is kept open for inspection during working hours (upto the date of ensuing Annual General Meeting) at the Registered Office of the Company, and the Report & Accounts are being sent to all the Members of the Company, excluding the aforesaid particulars of employees. Alternatively, any Member, who is interested in obtaining these details, may also write to the Vice President (Legal) & Company Secretary at the Registered Office of the Company or to email id at investors.sdcl@digvijaycement.com

EMPLOYEE STOCK OPTION PLAN (ESOP):

Pursuant to approval of Shareholders at the Annual General Meeting held on 5th August, 2019 and in accordance with SEBI (Share Based Employee Benefits) Regulations 2014 (SBEB Regulations), the Nomination and Remuneration Committee of the Board has, during the financial year 2019-20 granted 70,60,000 options at an exercise price of Rs. 16/- per option to eligible employees of the Company, as per the terms and conditions mentioned in SDCCL Employee Stock Option Plan 2019 ("ESOP Plan"). Out of total options granted, 14,69,250 (Fourteen lakhs Sixty-Nine Thousand Two Hundred Fifty) options got vested during the year. On exercise of rights by eligible employees, 11,75,000 underlying Equity Shares of Rs.10/- each were allotted to them during the year in accordance with ESOP Plan.

The certificate of the auditors regarding the implementation of the scheme being in accordance with SBEB Regulations and in accordance with the resolution of the Company in the general meeting would be placed at the Annual General Meeting or posted electronically for the inspection of the members.

Applicable disclosure as stipulated under SBEB regulation and Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on 31st March, 2023 with regard to ESOP Plan is provided at **Annexure D** to this report.

DIVERSITY AND INCLUSION:

Diversity and Inclusion at workplace helps nurture innovation, by leveraging the variety of opinions and perspectives coming

from employees with diverse age, gender and ethnicity. The Company has organized a series of sensitization and awareness campaigns, to help create an open mind and culture to leverage on the differences. On and around International Women's Day, the Company has organized various program to sensitize employees and locals, inter alia, on significant role that women played in digitization and other activities of the Company. It has been the Company's endeavour to focus on women empowerment. Going forward, women empowerment activities will be spread, with clear focus on nurturing their career journeys, to help the Company build a pipeline of women leaders in near future.

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

The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment, including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex.

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

INSURANCE:

The Company's plant, properties, equipment and stocks are adequately insured against all major risks including loss on account of business interruption caused due to property damage. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

RISK MANAGEMENT:

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. The Company has developed and implemented a Risk Management Policy that also include the process for identifying, minimizing and mitigating risks which is periodically reviewed by the Risk Management Committee, Audit Committee and the Board of Directors.

They also review Risk Management procedures measures from time to time, to ensure that executive management controls risk through means of a properly defined framework. The major



risks in critical areas have been identified by the Company and its mitigation process/measures have been formulated accordingly.

CORPORATE SOCIAL RESPONSIBILITY:

Your Company aims to remain essential to the society with its social responsibility, strongly connected with the principle of sustainability, an organization based not only on financial factors, but also on social and environmental consequences. It is responsibility of your Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interest of Stakeholders.

The Company was the first industrial unit in the region, who started providing free drinking water and free medical amenities, not only to its employees but to all nearby villagers, whosoever residing in the radius of more than 15 KMs around Company's business locations.

Our continually rising CSR spend on carefully crafted CSR programmes that consider the needs of our communities have helped us win their hearts and made them a part of Digvijay family. Key thematic areas of Digvijay's CSR activities include Healthcare, Sanitation & Hygiene, Education, Rural and Community infrastructure development, Water Conservation & Environmental protection, Women empowerment, including employment creation initiatives and sustainable livelihood, promotion of sports and contribution for other social cause.

As required under Section 135 of the Act and Rules made thereunder, to demonstrate the responsibilities towards social upliftment in structured way, the Company has formed a Corporate Social Responsibility Policy. Due to resignation of Ms. Mini Menon, the Company has a reconstituted the composition of Corporate Social Responsibility ("CSR") Committee of Directors comprising of Mr. Satish Kulkarni (Chairman), Mr. Anil Singhvi, Mr. Pramod Kabra and Mr. Rajeev Nambiar. The Committee reviews and monitors the CSR projects and expenditure undertaken by the Company on a regular basis. The Company implements the CSR projects directly as well as through implementing partners.

The details of such initiatives, CSR spend etc., have been provided as **Annexure E** to this Report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP):

Directors

The Company has six directors on its Board. Detailed composition about the Board is disclosed in Corporate Governance Report. All Directors have submitted relevant declarations / disclosures as required under Act and Listing Regulations.

Re-appointment of Director

Mr. Pramod Kabra (DIN No. 02252403), Non-Executive & Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors), Rules 2014 and the Articles of Association of your Company and being eligible, has offered himself for re-appointment as the Director.

Appointment of Director

The Board has at their meeting held on 27th April, 2023 appointed Ms. Mitu Samarnath Jha (DIN: 07244627) as an Additional Director in the category of Non-Executive Independent Women Director with effect from 27th April, 2023. Pursuant to Section 161 and other applicable provisions, if any of the Companies Act, 2013 and Article 109(i) of the Articles of Association of the Company, Ms. Mitu Samar shall hold office till the date of the ensuing Annual General Meeting. The Board recommends appointment of Ms. Mitu Samar as Non-Executive Independent and Women Director of the Company for a period of 5 years w.e.f. 27th April, 2023 and upto the date of Annual General meeting in the year 2028.

Ms. Mitu Samar has submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and provisions of the Listing Regulations stating that she meets the criteria of independence as provided therein. The Board has also considered such declaration and have formed opinion that Ms. Mitu as Non-Executive Independent Director, fulfils the criteria of independence and is independent from management.

The Company has received notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a Member in writing proposing her candidature for the office of Director.

As required by Regulation 36(3) of the Listing Regulations and provisions of the Secretarial standards, brief resume and other details of the above-mentioned Director getting appointed & re-appointed, are attached to the Notice of the ensuing Annual General Meeting.

None of the Directors proposed for appointment / reappointment at the ensuing Annual General meeting are disqualified from being appointed /reappointed as Directors under the provisions of the Act, the Listing Regulations or any other order, directions of MCA, SEBI or any other statutory authorities.

Resignation of Directors

Ms. Mini Menon (DIN: 7500434) has ceased to be a Non-Executive Independent Director of the Company with effect from 27th April, 2023 due to her resignation arising out of her personal commitments and other pre-occupations. Your Board takes the opportunity to place on record deep appreciation for

her contributions to the Company during her association as an Independent Director on the Board of the Company.

Board independence

Our definition of 'independence' of Directors is derived from Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the independence of directors during the Board evaluation process and assessing veracity of disclosures, the following Non-Executive Directors are Independent:

- a) Mr. Mahesh Gupta
- b) Ms. Mini Menon (ceased to be a director w.e.f. 27th April, 2023)
- c) Mr. Satish Kulkarni
- d) Ms. Mitu Samarnath Jha (appointed w.e.f. 27th April, 2023)

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013, the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management, and are persons of high integrity, expertise and experience. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board is also of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of strategy, business management, accounts & finance, auditing, tax and risk advisory services, legal, HR, IT, sales & marketing, logistics, people management, branding, infrastructure, technical, banking, insurance, financial services, investments, mining & mineral industries both in cement & other sectors and they hold highest standards of integrity.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended vide Notification No. GSR.774(E), dated 18.12.2020, wherever required, Independent Directors of the Company have undertaken to complete online proficiency self-assessment test conducted by the said Institute.

Key Managerial Personnel (KMP)

During the year under review, there is no change in Key Managerial Personnel. The following are the Key Managerial Personnel of the Company as defined under Sections 2(51), 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. K K Rajeev Nambiar, Chief Executive Officer & Managing Director
- Mr. Vikas Kumar, Chief Financial Officer
- Mr. Suresh Meher, Vice President (Legal & HR) & Company Secretary

Annual Evaluation by the Board of its own performance, its Committees and Individual Directors

In terms of Policy on Evaluation of Performance of Directors and the Board, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees and other committees of Board as mandated under the Act and Listing Regulations. The criteria and manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Certificate of Non-Disqualification of Directors

In accordance with the Listing Regulations, a certificate has been received from M/s Manoj Hurkat & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been disqualified to act as Director. The same is annexed herewith as **Annexure F**.

Board Diversity

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website www.digvijaycement.com

Directors and Officers Insurance ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') Policy for all its Directors and members of the Senior Management.

AUDITORS:

Statutory Auditors and their Report

M/s. BSR & Associates LLP, Chartered Accountants, Mumbai (ICAI Firm Registration Number 116231W/W- 100024)



were appointed as Statutory Auditor of the Company at the 73rd Annual General Meeting held on 7th September, 2018 to hold office from the conclusion of the said Meeting till the conclusion of the 78th Annual General Meeting to be held in 2023.

M/s. BSR & Associates LLP have audited the standalone and consolidated financial statement of the Company for the financial year ended 31st March, 2023. The Statutory Auditor's report provided by M/s. BSR & Associates LLP does not contain any qualifications, reservations, adverse remarks or disclaimers, which would be required to be dealt with in the Boards' Report.

The tenure of BSR & Associates LLP is till the conclusion of the ensuing 78th Annual General Meeting to be held this year. It is proposed to appoint M/s BSR & Co. (BSR), a Chartered Accountant firm (Firm Registration No. 128510W) from BSR & Affiliates network, for a second term.

The Company has received confirmation/eligibility certificate from BSR to the effect that their appointment, if made, will be in accordance with the limits specified under the Act and the firm satisfies the criteria specified in Section 141 of the Act read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company on the recommendation of the Audit Committee has further recommended to Shareholder for appointment of BSR as the Statutory Auditors of the Company pursuant to Section 139 of the Act for a second term of 5 (five) years to hold office from the conclusion of the ensuing AGM till the conclusion of 83rd AGM of the Company to be held in the year 2028, subject to approval by the Members at the ensuing AGM.

The Board recommends seeking consent of its members at the ensuing AGM on appointment of BSR as Statutory Auditors for second term for a tenure of 5 (five) years. Necessary resolution in this regard is included in the notice convening 78th Annual General Meeting.

Cost Auditors and Cost Audit Report

Pursuant to Section 148 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has made and maintained the cost accounts and records for the year 2022-23. The Board of Directors on the recommendation of the Audit Committee appointed M/s. Kiran J. Mehta & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2022-23. The Cost Audit Report for the financial year ended 31st March, 2022 was filed with the Central Government on 12th August, 2022 vide SRN No. F21067103.

Further, the Board of Directors has appointed M/s Kiran J Mehta & Co. as the Cost Auditors of the Company for the financial year 2023-24 and fixed their remuneration, subject to ratification by the shareholders at the ensuing AGM of the Company. M/s Kiran J Mehta & Co. have confirmed that their appointment is within the

limits of Section 139 of the Act and have also certified that they are free from any disqualifications specified under Section 141 of the Act. The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Member's approval for ratification of remuneration payable to the Cost Auditor for FY 2023-24, is included in the notice convening 78th Annual General Meeting.

Secretarial Auditor and Secretarial Audit Report

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

In line with the requirement of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, the Board of Directors of the Company had appointed M/s Manoj Hurkat & Associates, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended 31st March, 2023 are annexed as **Annexure G** to this Report. This report is unqualified and self-explanatory and does not call for any further comments/explanations.

Tax Auditors

The Board of Directors on the recommendation of the Audit Committee re-appointed M/s BSR & Co., Chartered Accountants, to carry out the Tax Audit for the Assessment Year 2023-24.

Internal Auditors

During the year under review M/s. RSM Astute Consulting (RSM) has acted as Internal Auditors of the Company. Audit observations of RSM and corrective actions thereon are periodically presented to the Audit Committee of the Board. The Board of Directors on the recommendation of the Audit Committee re-appointed RSM to carry out the Internal Audit of the Company for the Financial Year 2023-24.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has adequate internal financial control, which are constantly monitored by the Finance Department.

The Finance Department monitors and evaluates operating systems, accounting procedures and policies at all locations of the Company. Based on the report of external Internal Auditors, the Audit Committee/ Board initiate corrective action in respective areas and thereby strengthen the controls. The scope, functioning, periodicity and methodology for conducting

internal audit is as per terms agreed by the Audit Committee in consultation with the Internal Auditor and as approved by the Board.

The Company had, in all material respects, an adequate internal financial controls system with respect to its financial statements for the year ended 31st March, 2023, and that are operating effectively. More details on internal financial controls forms part of the Management Discussion and Analysis Report.

ANNUAL RETURN AND OTHER POLICIES/ DOCUMENTS:

In line with the requirement of the Companies (Amendment) Act, 2017, effective from 31st July, 2018, the extract of annual return is no longer required to be part of the Board Report. However, in Compliance to the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year ended 31st March, 2023 and other policies of the Company is placed on the Company's website at www.digvijaycement.com.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

Vigil Mechanism (Whistle Blower Policy) and Code of Conduct

Creating a fraud and corruption free culture has always been the core factor of your Company. In view of the potential risk of fraud, corruption and unethical behavior that could adversely impact the Company's business operations, performance and reputation, Digvijay has emphasized even more on addressing these risks. To meet this objective, a comprehensive vigil mechanism named Whistle Blower Policy, in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of Listing Regulations, is in place. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and posted on the website of the Company at www.digvijaycement.com.

In addition to above policy, Company has in place the Code of Conduct ("Code"), Ethics, Anti-Corruption policy and other critical compliance policies which are laid down based on the Company's values, beliefs, principles of ethics, integrity, transparency and applicable laws. Your Company has zero-tolerance to bribery and corruption and is committed to act professionally and fairly in all its business dealings.

To create awareness about the Company's commitment to conduct business professionally, fairly and free from bribery and corruption, regular training and awareness programs and workshops is conducted for all employees (both direct and indirect) across the organization.

More details about the Code are given in the Corporate Governance Report.

Code of Conduct to Regulate, Monitor and report trading by Insiders

In terms of SEBI (Prohibitions of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a Code of Conduct for Prevention of Insider Trading (Insider Code) as approved by the Company's Board. Any Insiders (as defined in Insider Code) including designated employees & persons and their relatives are, *inter-alia*, prohibited from trading in the shares and securities of the Company or counsel any person during any period when the "unpublished price sensitive information" are available with them.

The Insider Code also requires pre-clearance for dealing in the Company's shares and prohibits dealing in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report, which gives a detailed account of state of affairs of the Company's operations forms a part of this Annual Report.

CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report forms an integral part of this Report, as annexed hereto as **Annexure H**, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part C of Schedule V to the Listing Regulations.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

The 'Business Responsibility and Sustainability Report (BRSR) of your Company for the year ended 31st March, 2023 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is annexed to this Report as **Annexure - I**.

The Company has provided BRSR, in lieu of the Business Responsibility Report which indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the Members to have an insight into the environmental, social and governance initiatives of the Company.

TRANSFER OF SHARES ONLY IN DEMAT MODE :

As per SEBI norms, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. The procedure to dematerialise shares is available at <https://www.digvijaycement.com>. Further vide circular date 24th January, 2022, SEBI has notified that



all request for duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. The necessary forms are available on the Company's website <https://www.digvijaycement.com>.

UPDATING KYC DETAILS

COMMON AND SIMPLIFIED NORMS FOR PROCESSING INVESTOR'S SERVICE

Efforts are underway to update the Permanent Account Number (PAN) and bank account details of shareholder(s) as required by SEBI. The regulator, vide circular dated 3rd November, 2021 and 15th December, 2021, has mandated furnishing of PAN, KYC details and nomination by holders of physical securities by 31st March, 2023 and SEBI further extended the cut-off date to 30th September, 2023 vide its Circular dated 16th March, 2023 and CBDT vide its Press Release, has also extended linking PAN with Aadhaar by 30th June, 2023 without facing repercussions.

Members are requested to submit their PAN, KYC and nomination details to the Company's registrars through the forms available at <https://www.digvijaycement.com>.

LISTING OF EQUITY SHARES:

The Company's equity shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd. Listing fees have been paid up to 31st March, 2024.

More details about the Transfer of Shares and Listing of Shares are given in the Corporate Governance Report.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India which have mandatory application during the year under review.

AWARDS AND RECOGNITION:

'Excellence, is not an act but a habit' - Aristotle

At Digvijay, we continuously invest in the development and improvement of our operations to achieve the world best. Your Company received several awards and recognitions during the year 2022-23.

Key recognitions among them are reflected through the following awards conferred on the Company:

- Award for 2nd fastest growing company in Small Cap at 13th CEMENT EXPO 2023 by Indian Cement Review
- EHS Award 2023 (EHS Best Practices) from Greentech in Winner category.
- Environment Award 2022 (Environment Protection) from Greentech in Winner category.

- Apex India Occupational Health & Safety Award 2022 in Gold category.
- MQH First Runner-up Certificate in the Health Care category from IMC Ramkrishna Bajaj National Quality Award Trust.
- Certificate of Appreciation from CBDT for prompt filing of GST Returns and payment of GST

HOLDING ENTITY :

True North Fund VI LLP is the "Promoter" of the Company. During the year, there has not been any change in the number of shares held by Promoter. As at the end of the Financial Year 2022-23, the Promoter and the Holding entity continue to hold 8,08,25,928 fully Paid-up equity shares.

HUMAN RESOURCES:

Your people are your greatest resource. Your Company encourages and provides regular training to employees to improve their skills. Your Company has a performance appraisal system for senior employees and junior management staff. In-house news-letters provide a forum for information sharing. Rewarding individuals for their contribution is part of motivation towards Excellence. More details on this section form part of Management Discussion and Analysis Report.

HEALTH AND SAFETY/ INDUSTRIAL RELATIONS:

The Company continues to accord high priority to the health and safety of employees at all locations. During the year under review, the Company conducted safety training programs for increasing disaster preparedness and awareness amongst all employees at the plant. Training programs and mock drills for safety awareness were also conducted for all employees at the plant. Safety Day was observed with safety competition programs with the aim to imbibe safety awareness among all the employees (both direct and indirect) at the plant.

During the year under review, your Company enjoyed a cordial relationship with workers and employees at all levels.

OTHER DISCLOSURES:

No disclosure or reporting is made in respect of the following items as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as there were no transactions during the year under review:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

The Managing Director of the Company does not receive any remuneration or commission from its subsidiary company.

Further your directors state that no disclosure or reporting is required in respect of following items as either there were no transactions on these items, or these items are not applicable to the Company during the year under review:

- 1) No company have ceased to be Subsidiary, Associate or joint venture of the Company during the year under review.
- 2) No significant and material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.
- 3) No fraud has been reported during the audit conducted by the Statutory Auditors, Secretarial Auditors and Cost Auditors of the Company.
- 4) During the year under review, no revision was made in the previous financial statement of the Company, except as otherwise required under applicable laws.

ENVIRONMENT SUSTAINABILITY:

We believe in sustainable development. We regard social, economic and environmental responsibility as an integral element of our business.

Your Company is an ISO 14001:2015 Environment Management System Certified and adhere to ISO 45001 standards of Safety and Occupational Health. Company gives top priority to health and safety of its employees (both direct & indirect) at its workplaces not only to avoid work related injuries and fatalities, but they are essential to effective business performance. With this approach, the Company switched over from OHSAS to the

latest version of ISO 45001:2018 on Occupational Health and Safety Management Systems.

Professional Environment Auditors such as Det Norske Veritas, the State Pollution Board's certified auditors and Environmental System Auditors conduct periodic in-depth environmental audit on our plant. The Audit Reports validate our commitment to environmental conservation. Large scale plantations in the mines, plants, colonies and surrounding areas provide a lush green cover and reflect our respect for the environment.

ACKNOWLEDGEMENT:

Your directors are thankful to the Central and State Government Departments, Organizations and Agencies for their continued guidance and co-operation. The Directors are grateful to all valuable Stakeholders, Dealers, Vendors, Banks and other business associates for their excellent support and help rendered during the year. The Directors also acknowledged the commitment and valued contribution of all employees of the Company.

Your directors wish to place on record their appreciation for the support and guidance provided by its Parent Company/Promoter.

For and on behalf of the Board

Anil Singhvi
Executive Chairman
(DIN: 00239589)

KK Rajeev Nambiar
CEO & Managing Director
(DIN: 07313541)

Place : Mumbai / Digvijaygram

Date : 27th April, 2023



ANNEXURE A

FORM NO. AOC -2

Particular of contracts / arrangement made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

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

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

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

a. **Name (s) of the Related Party & Nature of Relationship:**

SDCCL Logistics Limited -Wholly Owned Subsidiary

b. **Nature of contracts/arrangements/transaction:**

Carrying out business in the field of logistics and other related activities, including transport (both for captive use and /or commercial purpose) of all kind of materials, articles and goods.

c. **Duration of the contracts/arrangements/transactions:**

Ongoing with the approval of the Audit Committee and Board, wherever required.

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

Please refer item (b) above.

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

Other than approval of Company's Board of Directors for handling of Cargo , there were no other transactions, that required approval of Board.

f. **Amount (Rs. in lakhs):**

During the year the Company has paid Rs. 36.03 lakhs on behalf of SDCCL Logistics Limited for handling of Cargo, which were refunded back by SDCCL Logistics to the Company.

Note :

During the year, the Company has not entered into any transaction(s) which are material in nature as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, AOC-2 is disclosed, as a matter of good corporate governance practice.

For and on behalf of the Board of Directors

Anil Singhvi
Chairman

Place : Mumbai

Date : 27th April, 2023

ANNEXURE B

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Information Under Section 134(3)(m) of the Companies Act, 2013 read with Clause 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ending 31st March, 2023.

CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy	1. Optimization of plant operation to reduce specific power consumption of Kiln section to 34.11 kWh / tonne clinker from 34.30 kWh / tonne clinker. Reduction in power up to clinkerisation stage to 64.61 kWh / tonne clinker from 65.52 kWh / tonne clinker. 2. Optimization of cement grinding process to improve cement grinding power to 30.15 kWh / tonne cement from 32.52 kWh / tonne cement. 3. Reduction in overall power consumption to 81.92 kWh / tonne cement from 84.19 kWh / tonne cement. 4. Process optimization leading to increase in net contribution from WHR (26.5 % of WHR Contr.), thus reduction in grid consumption (from 62.36% to 61.6% % of total power consumption). 5. Installation of VFD drive in ACC fan-3 and install new energy efficient pump with VFD drive of WHR to bring down auxiliary power consumption from 7.86% to 7.11%. 6. Installation of shredder to achieve TSR to 1.60% from 1.18%.
(ii) The steps taken for utilizing alternate sources of energy	(i) WHRS net generation was 274.58 lakhs kWh compared to 250.64 lakhs kWh of previous year. (ii) Steps taken by Company to source around 122.56 lakhs Kwh (11.85%) of total electricity consumption from renewable source energy of wind. (iii) Installation of shredder to improve TSR from 1.18% to 1.6%.
(iii) The capital investment on energy conservation equipment	- Higher efficiency fan for pre-heater kiln Rs. 59.71 lakhs - GCT bypass duct to reduce system pressure drop Rs. 242.98 lakhs - AFR pre-processing system Rs. 141.77 lakhs

TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption.	1. Installation of Shredder for Co- processing of plastic and industrial waste in Kiln. 2. Installation of GCT bypass duct to overall reduce pressure drop across the system.
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.	1. Reduction in clinker factor loading to reduction in CO2 emission. 2. Reduction in production Cost and enhanced profitability. 3. Improvement in MTBF, OEE & Specific Power Consumption.



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

- (a) The details of technology imported;
- (b) The year of import;
- (c) Whether the technology has been fully absorbed;
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

None

(iv) The expenditure incurred on Research and Development

1	Capital Expenditures :	Nil	
2	Recurring Expenses (Rs. In lakhs)	2022-23	2021-22
a	Technical Royalty	-	-
b	R & D Cess	-	-
c	Contribution to Cement Cess	-	-
3	Total R&D Expenditure as a percentage of total turnover	NA	NA

FOREIGN EXCHANGE EARNINGS & OUTGO

(Rs. in lakhs)

	2022-23	2021-22
Foreign Exchange earned	184.99	-
Foreign Exchange used	270.71	8,408.93

ANNEXURE C

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **Ratio of the remuneration of each Director / Key Managerial Personnel (KMP) to the median remuneration of all the employees of the Company for the Financial Year is as follows:**

Median remuneration of all the employees of the Company for the Financial Year 2022-23 (in Rs.)	8,30,683
Percentage increase in the median remuneration of employees in the Financial Year	10%
Number of permanent employees (average) on the rolls of the Company as on 31 st March, 2023	241

Name of the Director/KMP	Designation	Ratio of remuneration to median remuneration of All employees
Executive Director		
Mr. Anil Singhvi	Executive Chairman	36.14
Mr. KK Rajeev Nambiar	CEO & Managing Director	30.50
Other KMPs		
Mr. Vikas Kumar	CFO	6.97
Mr. Suresh Kumar Meher	VP (Legal) & Company Secretary	7.75

Note

- Independent Directors were paid sitting fees & commission. Other Non-Executive Directors were not paid any remuneration during the financial year. Hence this is not applicable for Non-Executive Directors.
- The ratio of remuneration of each Director and KMP to the median remuneration is based on the CTC of the remuneration (excluding prerequisite value of stock options exercised by eligible employees under ESOP Plan and other benefits as per Company Policy) for the year 2022-23 in their respective capacity as such Director or KMP. Percentage increase in remuneration of CEO & Managing Director, CFO and Company Secretary are 8%, 10% and 6% respectively and exclusive of prerequisite value of stock options exercised by them during the year.

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

On an average an employee receives an annual increase (excluding on account of promotions) of approx. 8%, which also include wage increments for unionized employees due to wage settlements. The wage revision for staff cadre employees is done annually as per Company's HR Policy. In order to ensure that remuneration reflects Company performance, the performance pay & annual increment are also linked to organization performance, apart from an individual's performance. The individual increments for staff cadre employees are based on Cost to Company (CTC) consisting of Annual Base Salary and the performance/ variable pay. The percentage increase in remuneration of Mr. Rajeev Nambiar, CEO & Managing Director as well as Mr. Anil Singhvi, Executive Chairman during the year are mentioned in table above.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the Key Managerial Personnel is in the line with the industry practice and industry trends. Average increase in the remuneration is also guided by factors like economic growth, inflation, mandatory increases, external competitiveness and talent retention. Whilst the Company endeavors on cost effective initiatives including employees cost being one of the key areas of cost monitoring and control, the results of any structural initiatives needs to be measured over a long-term horizon and cannot be strictly compared only with annual performance indicators.

- iii. **The key parameters for any variable component of remuneration availed by the directors**

Performance assessment is based on the Company performance and individual performance. Based on the performance assessment, the variable remuneration is approved by the Nomination & Remuneration Committee and recommended to the Board for their approval within the overall limits as permitted under the law and as approved by the Members. Other than, CEO & Managing Director, no other Director is in receipt of any variable components of remuneration.

- iv. **The remuneration is as per the Remuneration Policy of the Company as posted on website of the Company at <https://www.digvijaycement.com/policies/>**



ANNEXURE D

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

No. of Options outstanding at the beginning of the period (1 st April 2022 to 31 st March, 2023)	39,66,500
No. of Options forfeited/lapsed during the year / no. of options expired (due to resignation & retirement if any)*	1,73,000
No. of Options vested during the year	14,69,250
No. of Options exercised during the year	11,75,000
No. of shares arising as a result of exercise of options	11,75,000
Exercise Price	Rs.16/- per option
Option cancelled	Nil
Variation of terms of Option	None
Money realized by exercise of options	Rs.1,88,00,000
No. of options outstanding at the end of the year (including 8,17,500 options already vested)	26,18,500
No. of options exercisable at the end of the year	8,17,500

* No. of stock options granted (but not yet vested) & expired.

Employee wise details granted to:

I) Key Managerial Personnel

Name	Designation	No of Options exercisable at the beginning of the period	No. of Options vested during the period	No. of options exercised	No of shares allotted
Mr. KK Rajeev Nambiar	CEO & Managing Director	2,70,625	5,34,375	5,00,000	5,00,000
Mr. Vikas Kumar	Chief Financial Officer	-	90,000	60,000	60,000
Mr. Suresh Meher	VP(Legal) & Company Secretary	20,000	75,000	45,000	45,000

II) Employees to whom 5% or more of options granted during the year:

Name	Designation	Number of Option Granted
	NIL	

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

Name	Designation	Number of Option Granted
	NIL	

Utilisation of Funds:

During the year, the Company has received Rs. 1,88,00,000/- on allotment of shares to the eligible employees under SDCCL Employees Stock Option Plan 2019, which was utilized towards working capital needs of the Company.

Disclosure under SBEB Regulations:

The details in respect of ESOP as required to be disclosed under the SBEB Regulations are posted on the Company's website at <https://www.digvijaycement.com/investors/shareholders-information/>.

ANNEXURE E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

In today's context, the 'Corporate Social Responsibility (CSR)' is defined as a mandatory way for a Company to balance its Economic, Social and Environmental objectives while enhancing the Shareholders' value and Stakeholders expectations. Shree Digvijay Cement Co. Ltd. (Company) has engaged itself towards this journey since its inception. The Company is contributing towards promoting quality of education, improvement in living standard and upliftment of communities comprising weaker section in nearby areas. Basic and higher education at SDCCL Public School at very discountable rates, and education facilities at other nearby areas, free supply of drinking water in nearby areas are also some of the welfare activities being undertaken by Company as a part of its CSR Programmes. The Company in today's context is regularly working in the areas of preventive healthcare by organizing medical camps and awareness programmes from time to time benefitting to the residents of nearby areas. These expenditures are in accordance with Schedule VII of the Companies Act, 2013 and as per the Company's CSR policy.

2. Composition of CSR Committee:

The CSR Committee comprises of four members, of which one is Independent Director. The Committee met once during the reporting period on 26th April, 2022, and details of meeting is as under:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee Attended during the year
1	Mr. Anil Singhvi	Chairman	1	1
2	Ms. Mini Menon	Member (Independent Director)	1	1
3	Mr. Pramod Kabra	Member (Non-executive Non-Independent Director)	1	1
4	Mr. KK Rajeev Nambiar	Member (Managing Director)	1	1

3. The web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the said Policy along with composition of CSR Committee and CSR Projects are placed on the website of the Company and the web link for the same is at <https://www.digvijaycement.com/policies/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable

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

(Rs. in lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1	2022-2023	36.92	36.92
	TOTAL	36.92	36.92

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

(Rs. In lakhs)

Particulars	2019-20	2020-21	2021-22
Net Profit	7657.28	8,293.89	8,820.46

Average net profit of the Company for last three financial years is at Rs. 8,257.21 lakhs



7. (a) Two percent of average net profit of the Company as per section 135(5):- Rs. 165.14 lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any :- Rs. 36.92 lakhs
 (d) Total CSR obligation for the financial year (7a+7b- 7c) :- Rs. 128.22 lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. in lakhs)	Amount Unspent (in lakhs Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
136.29	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in Lakh Rs.)	Amount spent in the current financial year (in Lakh Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lakh Rs.)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation – Through\Implementing Agency	
				State	District						Name	CSR Registration number

NOT APPLICABLE

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (Rs. in Lakhs)	Mode of implementation -Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	Health Care, Hygiene & Sanitation	Promoting healthcare including organizing preventive health checkup camp, distribution of medicines, focus on hygiene and sanitation among communities	Yes	Gujarat	Jamnagar and Jam Khambaliya	15.30	Yes	NA	NA
2	Promotion of Education & Women Empowerment	Improvement in quality of education which includes special education, skill development, development of infrastructure, safety, security system & renovation of Schools. Organized Skill development activity for women conducting tailoring, beauty parlour training classes etc for empowerment of women.	Yes	Gujarat	Jamnagar and Jam Khambaliya	44.74	Yes	NA	Shree Digvijay Charitable Trust (CSR00026204
3	Socio Developmental & welfare activities	Development of Road, Infrastructure, sports facilities, aanganwadi centres, and safety & security system.	Yes	Gujarat	Jamnagar	36.89	Yes	NA	NA
4	Contribution for other social cause & other activities	Reducing inequalities faced by socially and economically backward groups, contribution for social cause, group marriages, activities for animal welfare and other activities	Yes	Gujarat	Jamnagar	39.36	Yes	NA	NA
TOTAL						136.29			

- (d) Amount spent in Administrative Overheads : NA
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs.136.29 lakhs
- (g) Excess amount for set off, if any : Rs. 8.07 lakhs

Sr. No.	Particulars	Amount (Rs. in lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	165.14
(ii)	Total amount spent for the financial year	136.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	36.92
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	8.07

The Company's CSR projects primarily focused on the promotion of education, socio-development projects, awareness on water conservation and environment protection, sanitation, health & hygiene and activities for social cause which pertained to Schedule VII of the Companies Act, 2013.

9. (a) details of Unspent CSR Amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135(6) (In Rs. lakhs)	Amount spent in the reporting Financial year (in Rs. lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (In Rs. lakhs)
				Name of the Fund	Amount (In Rs. lakhs)	Date of transfer	
1	2019-20			Not Applicable			
2	2020-21			Not Applicable			
3	2021-22			Not Applicable			
	TOTAL						

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

(1) Sl No.	(2) Project ID	(3) Name of The project	(4) Project Duration	(5) Total amount allocated for the project (In Rs.)	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial year (in Rs.)	(8) Cumulative amount spent at the end of the reporting Financial Year (in Rs)	(9) Status of the project- Completed/ Ongoing
1	NA	NA	NA	NA	NA	NA	NA	NA
	TOTAL:							

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year : Not Applicable

(asset-wise details)

- (a) Date of acquisition of the capital asset(s): N.A.
- (b) Amount of CSR spent for creation or acquisition of capital assets: N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: N.A.
- (d) Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): N.A.

11. Specify the reason(s), if the Company has failed to spend two percent of the net profit as per Section 135(5): Not Applicable

Place : Mumbai / Digvijaygram
Date : 27th April, 2023

Anil Singhvi
Chairman- CSR Committee CEO & Managing Director

KK Rajeev Nambiar



ANNEXURE F

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
SHREE DIGVIJAY CEMENT COMPANY LIMITED
(CIN: L26940GJ1944PLC000749)
Digvijaygram - 361140
Via Jamnagar, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHREE DIGVIJAY CEMENT COMPANY LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Director Identification Number [DIN] status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Rajeev Nambiar	07313541	02/06/2015
2.	Anil Chandanmal Singhvi	00239589	30/04/2019
3.	Mahesh Shrikrishna Gupta	00046810	30/04/2019
4.	Pramod Kabra	02252403	30/04/2019
5.	Mini Menon	07500434	30/04/2019
6.	Satish Prabhakar Kulkarni	08741350	02/06/2020

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

For, MANOJ HURKAT & ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R. HURKAT
Partner

Date: 27th April, 2023
Place: Ahmedabad

FCS No.: 4287, C P No.: 2574
UDIN: F004287E000186471

ANNEXURE G

SECRETARIAL AUDIT REPORT

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

To,
The Members of
SHREE DIGVIJAY CEMENT COMPANY LIMITED
(CIN: L26940GJ1944PLC000749)
Digvijaygram - 361140
Via Jamnagar, Gujarat

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE DIGVIJAY CEMENT COMPANY LIMITED** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2023 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equities) Regulations, 2021;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. There are no other laws applicable specifically to the Company in respect of the business/activities carried out by the Company which are required to be reported under this clause.

We further report that:

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



- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, there no events/ actions which has taken place and have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800

MANOJ R HURKAT
Partner
Place: Ahmedabad FCS No.: 4287, C P No.: 2574
Date: 27th April, 2023 UDIN: F004287E000186447

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

ANNEXURE- A

To
The Members,
SHREE DIGVIJAY CEMENT COMPANY LIMITED
(CIN: L26940GJ1944PLC000749)
Digvijaygram - 361140
Via Jamnagar, Gujarat

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

- Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
- We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual

position which cannot be otherwise verified etc. wherever required or necessary.

- The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
- The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- The Secretarial audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner which evolved such examinations and verifications as considered necessary and adequate for the said purpose.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN: P2011GJ025800
PR Certificate No.: 600/2019

MANOJ R HURKAT
Partner
Place: Ahmedabad FCS No.: 4287, C P No.: 2574
Date: 27th April, 2023 UDIN: F004287E000186447

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO AND OUTLOOK

GLOBAL ECONOMY

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, continued Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook.

However, despite several headwinds, global gross domestic product (GDP) growth forecast for 2023 was revised from 2.7% to 2.9%, signaling that the expected global recession will not be as severe as previously feared. According to the International Monetary Fund (IMF), "adverse risks have moderated" since its previous World Economic Outlook, released in October 2022. Global inflation is expected to be lower on-year in 2023 but will remain above the pre-pandemic average and higher than central bank targets.

While risks have reduced, the global economy remains vulnerable to the geopolitical fallout from the Russia-Ukraine conflict. Increasing crude oil and food grain prices and formation of trade blocs due to intensification of the conflict remain risks to the economy.

The global cement market size reached US\$ 363.2 Billion in 2022. Going forward, it is expected that the market will reach US\$ 518.5 Billion by 2028, exhibiting a CAGR of 6.11% during 2022-2028.

INDIAN ECONOMY

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. Incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially. According to the Economic Survey 2022-2023, budgeted capital expenditure rose 2.7 times in the last seven years, from FY16 to FY23, re-invigorating the Capex cycle. In Union Budget 2023-24, Capital investment outlay has been increased steeply for the third year in a row by 33% i.e. Rs. 10 Lakh Crore, which would be 3.3 per cent of GDP. This will be almost three times the outlay in 2019-20. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

Strong domestic demand amidst high commodity prices may raise India's total import bill and contribute to widen Current Account Deficit (CAD). These may be exacerbated by subduing export growth on account of slackening global demand and the Indian currency may come under depreciation pressure due to widening CAD. Entrenched inflation may prolong the tightening

cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterized by low growth in FY24 and will also impact the Indian Economy. However, the oil prices may stay low, and India's CAD may be better than currently projected.

The Impact

Higher Oil Price: The crude oil price had touched 130 dollars a barrel earlier this year. It fell later and went below \$85 per barrel in September 2022.

Rise in crude oil prices has in the past, led to rise in under-recoveries as the government did not want the retail prices to rise sharply. Under-recovery refers to the difference in the cost of producing petroleum products, and the price at which they are delivered to consumers. It indicates the loss incurred by oil marketing companies while supplying these petroleum products. The central government compensates these oil marketing companies (OMCs) by sharing some of this incurred loss through a burden sharing mechanism.

Higher Inflation: International Energy Agency has said that a 10% increase in crude oil prices in India will lead to an increase in the Wholesale Price Index (WPI) by nearly 0.9%. There is also a significant impact on the consumer price index (CPI) with increasing crude oil prices. Hence, inflation increases with a rise in crude oil prices. The RBI and the Indian government are trying hard to bring inflation below the 6% threshold, but if oil prices increase, controlling inflation won't be easy.

GOVERNMENT INITIATIVES

In order to help private sector companies, thrive in the industry, the Government has been approving their investment schemes. Some of the initiatives taken by the Government off late are as below:

- As per the Union Budget 2022-23:
 - Higher allocation for infrastructure— US\$ 26.74 billion in roads and US\$ 18.84 billion in railways is likely to boost demand for cement.
 - Under the housing for all segment, eight million households will be identified according Rs. 48,000 crore (US\$ 6.44 billion) set aside for PM Awas Yojana.
 - The government approved an outlay of Rs. 199,107 crore (US\$ 26.74 billion) for the Ministry of Road Transport and Highways, and this step is likely to boost the demand for cement.
- As per Invest India, National Infrastructure Pipeline (NIP) expanded to 9,305 projects from 7,400 projects.
- In October 2021, Prime Minister, Mr. Narendra Modi, launched the 'PM Gati Shakti - National Master Plan (NMP)' for multimodal connectivity. Gati Shakti will bring



synergy to create a world-class, seamless multimodal transport network in India. This will boost the demand for cement in the future.

- The Union Budget allocated Rs. 13,750 crore (US\$ 1.88 billion) and Rs. 12,294 crore (US\$ 1.68 billion) for Urban Rejuvenation Mission: AMRUT and Smart Cities Mission and Swachh Bharat Mission.

G20 PRESIDENCY LEAD BY INDIA : 1st December, 2022, is a momentous day as India assumed the presidency of the G20 forum, taking over from Indonesia. As the largest democracy in the world, and the fastest growing economy, India's G20 presidency will play a crucial role in building upon the significant achievements. In India's G20 Presidency will work to promote this universal sense of one-ness. Hence our theme - 'One Earth, One Family, One Future' as emphasised by the Indian Prime Minister. India is on a mission to bring about a shared global future for all through the Amrit Kaal initiative with a focus on the LiFE movement which aims to promote environmentally conscious practices and a sustainable way of living. With a clear plan and a development-oriented approach, India aims to promote a rules-based order, peace and just growth for all. The 200+ events planned in the run up to the 2023 Summit will strengthen India's agenda and the six thematic priorities of India's G20 presidency.

INDIAN CEMENT INDUSTRY : OUTLOOK AND OPPORTUNITIES

India is the second-largest producer of cement in the world. It accounts for more than 8% of the global installed capacity. India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Furthermore, on the back of rising rural housing demand, the consumption of cement in India has been growing consistently. Strong expansion of the industrial sector, which has fully recovered from the COVID-19 pandemic shock, is one of the main demand drivers for the cement industry. As a result, there is a strong potential for an increase in the long-term demand for the cement industry. Some of the recent initiatives, such as the development of ninety-eight smart cities, are expected to significantly boost the sector.

Currently, the installed cement capacity in India is 553 MTPA with a production of 298 MTPA.

As India has a high quantity and quality of limestone deposits through-out the country, the cement industry promises huge potential for growth. India has a total of 210 large cement plants, of which seventy-seven are in Andhra Pradesh, Rajasthan, and Tamil Nadu. Nearly 32% of India's cement production capacity is based in South India, 20% in North India, 13% in Central, 15% in West India, and the remaining 20% is based in East India. India's cement production is expected to increase at a CAGR of 5.65% between FY16-22, driven by demands in roads, urban infrastructure and commercial real estate. The consumption of cement in India is expected to grow at a CAGR of 5.68% from FY16 to FY22. As per Crisil Ratings, the Indian cement industry

is likely to add ~80 million tonnes (MT) capacity by FY24, the highest in the last 10 years, driven by increasing spending on housing and infrastructure activities.

Robust Demand & Attractive Opportunities

As per ICRA, in FY22, the cement production in India is expected to increase by ~12% YoY, driven by rural housing demand and government's strong focus on infrastructure development.

As per Crisil Ratings, the Indian cement industry is likely to add ~80 million tonnes (MT) capacity by FY24, the highest since the last 10 years, driven by increasing spending on housing and infrastructure activities.

Long-Term Potential

Indian cement companies are amongst the world greenest cement manufacturers. With high allocation under the Union Budget 2023-24 for infrastructure, affordable housing schemes and road projects to fuel the economy, the domestic cement industry is poised for a volume surge.

Increasing Investments

FDI inflows in the industry, related to manufacturing of cement and gypsum products, reached US\$ 5.49 billion between April 2020 and September 2022.

The demand for affordable houses, with a ticket size of <Rs. 40-50 lakh(US \$ 53,694 -67,118), is expected to rise in Tier 2 and 3 cities, leading to an increase in demand for cement.

COMPANY'S PERFORMANCE

During the year under review, earnings before interest, tax and depreciation (EBITDA) of the Company recorded Rs. 10,759.78 lakhs as compared to Rs.12,106.36 lakhs in the previous year.

The reduction in EBITDA was mainly due to high cost of Coal and Crude Oil and intense market competition, which has impacted the margin of cement industry. These increases were caused largely due to external factors beyond control.

The demand for cement may continue to be driven further by the pick-up in the infrastructure projects viz. bridges, roads, ports, metro rails and low budget housing segment, bringing opportunities for growth in this sector. The long-term outlook for cement is expected to be positive.

Despite the very high cost of coal that has impacted the margins of cement industry, the Company performed well by improving plant performance and keeping the cost under control. The Company has recorded operating profit of Rs. 10,759.78 lakhs with an EBITDA margin of 15% . Concerted efforts throughout the year resulted in higher sales volume, cement and clinker production. The Company continues to focus on optimizing costs, improving operational efficiency, blended and special products sales and strengthening the brand.

OPERATIONAL PERFORMANCE:

Operational Performance:

Particulars	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022
Production (lakhs TPA)		
Clinker	9.74	9.58
Cement	12.74	11.99
Sales Volume (lakhs Ton)		
Domestic		
- Cement	12.58	12.02
- Clinker	0.09	0.39
Export		
- Cement	0.01	-
- Clinker	0.00	-

Financial Performance:

Particulars	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022
Revenue from Operations (Gross)	72,234.88	62,494.87
Add: Other Operating Income	252.55	439.17
Less: Total Expenditure	62,432.04	51,226.59
Profit before other income, interest, depreciation & tax	10,055.39	11,707.45
Add: Other Income	349.05	98.52
Profit before Interest Depreciation & Tax [PBDIT]	10,404.44	11,805.97
Add: Interest Income	355.34	300.39
Earnings before Interest, Tax and Depreciation (EBITDA)	10,759.78	12,106.36
Less: Interest Expense	133.67	145.62
Less: Depreciation	3,525.96	3,140.28
Profit before tax	7,100.15	8,820.46
Less: Tax Expenses	1,328.85	3,291.37
Profit for the year	5,771.30	5,529.09

(Rs. In lakhs)

Details of significant changes in key financial ratios are as given below:

Sr. No.	PARTICULARS	UOM	Year Ended 31.03.2023	Year Ended 31.03.2022	Growth YOY
1	Contribution to Exchequer	Rs. in lakhs	23,839.58	22,132.64	8%
2	Revenue Growth	Rs. in lakhs	73,191.82	63,332.95	16%
3	EBITDA	Rs. In lakhs	10,759.78	12,106.36	-11%
4	EBITDA MARGIN	%	15%	19%	-4%
5	PBT	Rs. In lakhs	7,100.15	8,820.46	-20%
6	PAT	Rs. In lakhs	5,771.30	5,529.09	4%
7	Net Worth	Rs. In lakhs	32,469.02	31,223.36	4%
8	ROE	%	18.1%	17.7%	0.4%
9	NET DEBT	Rs. In lakhs	-	-	-
10	Debt Equity	Weight	-	-	-
11	Working Capital Ratio	Times	1.0	1.0	-
12	Fixed Assets Turnover Ratio	Times	2.1	1.9	8%
13	Inventory Turnover Ratio	Times	3.7	3.2	17%
14	Debtors Turnover Ratio	Times	6.0	6.3	-4%
15	Days Sales Outstanding (DSO)	Days	41.8	52.6	-21%
			9	7	-26%



SEGMENT REVIEW AND ANALYSIS

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Chief Executive Officer (CEO) and Managing Director (MD) of the Company has been identified as CODM who assesses the financial performance and position of the Company and makes strategic decisions.

The Company's CODM has identified one business segment viz. Manufacturing and Sales of Cement and its only production facility is located in India. There are no other reportable segments.

COST AND PROFITABILITY

On the cost front, the Company witnessed significant pressure over the course of the year due to the increase in crude oil and coal prices impact on each cost element. These increases were caused largely due to external factors beyond control.

Controlling costs is an on-going exercise of your Company. The Company continues to focus on cost reduction through procurement sourcing, increasing power sourcing of green energy (wind, solar and power through Waste Heat Recovery), which is eco-friendly and cheaper source of power, better use of alternative fuel, optimising logistics operations, debottlenecking & asset optimisation, capacity utilisation to optimize fixed cost and increasing sales & marketing footprints with better blended and special product mix to improve the overall performance and profitability of the Company.

OPPORTUNITIES, THREATS, RISK & CONCERN

The Company has well defined structure which enable and empower management to identify, assess and leverage business opportunities and manage risk exposure in the organization effectively.

As per Risk Management framework and procedures, management treat various category of risks and take appropriate actions for its mitigation. For example, for higher priority risks, the Company has developed and implemented specific risk management plans that supports management in strategic decisions and funding considerations, if any. Lower priority risks are also monitored as per plan. Company has the process of communication, consultation, monitoring and periodical review of the risks and effectiveness of the mitigation plan.

Raw material risk

The cement industry depends primarily on limestone and other raw materials. However, availability of limestone from nearby sources is limited and thus, it is essential to promote the use of blended cement, which uses alternative raw materials such as fly ash and slag. The increase in the cost of these alternative materials and availability of those materials may further increase the production costs.

Competition risk

The cement industry is witnessing a significant imbalance in its total installed capacity vis-a-vis the capacity utilization which presently is 67%. Despite the capacity overhang, capacity expansion still continues, resulting in intense competition and adverse impact on the Company's market share, sales volume and profitability. To improve the presence in the market and reducing the competition risk, Company has planned to expand its capacity and got significant approval of Environmental Clearance (EC) from the Government.

Cement capacity additions on a spree; likely to add 130-140 MT incremental capacity in next 5 years Improving demand outlook over the medium term and push to gain market share have triggered a wave of capacity addition announcements by cement manufactures, especially large players. Over fiscal 2024-28, CRISIL MI&A Research expects the industry to add 130-140 million tonne per annum (MTPA) of grinding capacities, taking the country's total installed capacity to 730-740 MTPA by fiscal 2028. In fiscal 2023, though, the cement industry is estimated to have added 30-32 MT (inclusive of grinding and integrated units) vs ~34 MT added in fiscal 2022, as higher input costs in the form of elevated power and fuel prices have dented players' profitability, leading to lower cash flows and capex slowdown. Fiscal 2024 is expected to witness a similar trend of capacity additions, estimated at 30-32 MT. CRISIL MI&A Research estimates overall installed capacity to reach ~600 MT as of fiscal 2023.

Large players to account for almost half of total capacity addition in the next five years :

CRISIL Research expects bulk of the capacities (~88%) up to fiscal 2028 to be added by large- and midsize players, as these have better finances to sustain in challenging times. Large companies will be able to fund capex through internal accruals. Also, their comfortable gearing levels give them the financial flexibility to raise debt, if required.

New wave of consolidation on the cards for cement industry: The sector has witnessed consolidation, with large cement makers taking over regional heavyweights as well as struggling companies through competitive bidding under the Insolvency and Bankruptcy Code.

Considering the capex plans of the large players, the cement industry is on the road to becoming more competitive, with more consolidations expected. Indeed, while most of the stressed assets have been acquired over the past five years, we anticipate an acceleration in consolidation where other relatively weak midsize and small assets will be the focus.

Infrastructure Risk

Infrastructure sector drives overall development of the economy and is a major focus of the Government of India. Any pullback by

the government on its initiatives will result in de-growth for the cement industry. Moreover, too many regulatory approvals and compliances might be a hindrance to the segment's progress.

Power, fuel and freight risk

The production cost has seen an adverse impact due to the increased cost of power & fuel and freight cost. Fuel cost has gone up by 44% compared to the previous year.

During the year, the Company has noticed high volatility of fuel prices in the international markets coupled with uncertainty over availability of domestic and linkage coal continue to pose challenges in regard to coal availability and pricing to the cement industry as well as the Company. During the year, almost 58% of the Company's requirement for kiln fire is met by Coal. Thus, any rise in international coal prices will adversely impact the operating costs of the Company.

The cement companies have so far managed to mitigate its impact due to the availability of substantial inventory at their disposal. However, that comfort is gone now. It has exposed the companies to the volatility in raw material prices.

The cement industry is highly energy intensive and close to 42% of its total expenditure consists of power and fuel costs. Out of 42% of power and fuel expense, about 10.50% of the cost relates to power. However, it's Company's endeavor to continuously focus on green energy with cheaper sourcing and becoming a self-sufficient Company in current energy scenario.

During the year, the Company consumed 38% of total power requirement from Green Energy Sources like Wind and WHRS.

At Digvijay Cement, we currently use railways for a limited use for despatches. With the rise in diesel prices, the cost of road transportation has increased. The cost increase and huge dependence on road transportation is having an adverse impact on our operational costs.

Marketing Risk

Due to increased demand for cement, intense competition is expected, which may adversely impact on the Company's market share, sales volume, and profitability.

Cyber Security:

In the last few years, technology has evolved manifold and so have the risks attached to it. The proliferation of business data beyond data centres to the cloud, social media and digital platforms for B2B and B2C connect are impacting cyber security.

In addition to data loss, cyber-attacks can impact business operations, machinery and human assets, and result in legal and regulatory liabilities.

Appropriate controls (technology and governance) are being planned and implemented.

Strategies:

The Company has followed two strategies. First is a short-term strategy, aimed at health, cost and cash to mitigate immediate risks. We focused on ensuring the health and safety of our employees, suppliers and channel partners, while initiating stringent measures to control costs and strengthen cash flows.

Secondly, long-term strategies include increasing our market reach through capacity expansion, launch of innovative and superior quality products; enhance efficiency through digital transformation, cost optimization and logistics efficiency; and achieve our sustainability goals through our targeted initiatives across four pillars of our sustainable development plan.

The Company successfully integrated its environmental, social and governance (ESG) plans and targets across all functions and continue to give top priority to improve upon in all ESG parameters.

DIGITAL TRANSFORMATION AND AUTOMATION

We have seen an uptick in the adoption of digital means for doing business across all the functions after the setback caused by the pandemic. This has led us to realign our strategy around digital transformation and automation. Our digital transformation and automation strategy was targeted at making our digital assets more functional so that we could better serve growing customer needs. We comprehensively rebuilt our digital strategy to build new capabilities during the year. The digital transformation encompasses the entire value chain, including manufacturing, logistics, sales and marketing, consumer connect, finance and human resources. Digital elements are intertwined in the business processes as a major media for capturing and disseminating information, analyzing operational parameters and engaging with all stakeholders.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition. Further, all transactions entered into by the Company are duly authorized and recorded correctly. M/s RSM Astute Consulting Group (RSM), Chartered Accountant has been working as the Internal Auditor of the Company for FY 2022-23. The Internal Auditors are submitting reports to the Company on a Quarterly basis.

INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR)

The internal financial controls within the Company are commensurate with the size, scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed. The Company has robust policies and procedures which, *inter alia*, ensure integrity in conducting



its business, the safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and the prevention and detection of frauds and errors. The operating effectiveness of such controls are in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing specified by the Central Government in accordance with Section 143(10) of the 2013 Act and other authoritative pronouncements, to the extent applicable to an audit of internal financial controls over financial reporting, both issued by the ICAI.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company continued with efforts to ensure that its pool of human resources is "future ready" through its robust processes of learning & development, capability building and its development programmes. Efforts were taken to develop leadership lines as well as to enhance technical and functional capabilities with special focus on nurturing young talent, in order to face future challenges that may arise. The Company organized several training, awareness and coaching programs to develop the leadership, technical and management skills of employees. Employee engagement programs were organized to create openness and sharing ideas by employees. This learning journey includes formal, informal and highly interactive components that would help in honing their leadership, and coaching skills. It will ensure that the development initiatives result not just in better skills but in enhanced performance and higher engagement.

The total number of employees on the rolls of the Company as on 31st March, 2023 was 241 (Previous year as on 31st March, 2022, number was 259).

Industrial relations during the year under report remained cordial.

EDUCATION

The Company has been providing primary/secondary education for the children of the employees and local community staying in nearby areas of Factory / Mines. The Company has provided educational kits to needy children in the nearby villages. More details on this is covered in the Annual Report on CSR activities forming part of the Directors' Report.

ENVIRONMENT, SUSTAINABILITY AND GOVERNANCE

The Company has been continuously contributing towards environmental sustainability. Continuous improvement, enhanced process efficiency and periodic capital expenditures

have helped us position "KAMAL" Cement one of the most responsible cement manufacturers in the country. The Company has been periodically reviewing the criteria of Environment, Sustainability & Governance (ESG) as per its ESG Policy with a focus on continuous improvement in Environment Sustainability. During the year, the Company's efforts continued with the same rigour. It conducted its business maintaining high standards of governance, respecting nature and demonstrating social responsiveness towards its communities & people.

Under its ESG Implementation plan, the Company has identified 14 key areas viz. water management, circular economy & waste management, energy & climate change, atmospheric emissions, biodiversity management & greenbelt development, sustainable mining, product quality management, health & safety, transparency, ethical practices & corporate governance, innovations & digitalization, sales & supply chain, human resources, community engagement and corporate social responsibility under which key initiatives are undertaken. Despite a challenging year 2022-23, we were able to achieve considerable improvements across the targets and are on track with the agenda of the Company.

More details on the Company's ESG initiative and performance during the year is annexed to this MDA and BRSR forming an integral part of the Annual Report.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations, tax laws, natural calamities litigation and industrial relations, monsoon, economic developments within the country and other factors.

For and on behalf of the Board

Anil Singhvi
Executive Chairman

KK Rajeev Nambiar
CEO & Managing Director

Place: Mumbai / Digvijaygram
Date: 27th April, 2023

Annexure to MDA

ESG INITIATIVES AND ACHIEVEMENTS

Creating a Positive Impact on Planet...



An unwavering commitment to responsible stewardship, by giving back to our people, society and environment



10674 tons of wastes
Co-processed in Kiln



78500 K. Litres
water saved



Over 3% Reduction
in Specific Net CO2
emissions
per Tonne



Over >65000 Trees
planted



Achieved approx. 2% Thermal
Substitution rate through
Waste Feed

Highlights FY2022-23



12.74 lakhs Ton
Cement production



Rs. 73,192 lakhs
Revenue



Rs. 5,771 lakhs
Profit after tax



Zero
Fatalities



397 Lakh
units of green energy
consumed



Rs. 136.29 lakhs
CSR spent



About 12% reduction
in specific SOx & NOx
emissions



100%
Water for industrial
use is recycled



Water Management

During the year, specific water consumption is reduced by 30.19% in plant and colony with continuous efforts of creating water sensitivity among employees and their families, creating water harvesting ponds / structures at plant and mining locations and by optimizing process. Overall the specific water intensity is reduced from 0.197 kl / t cem to 0.138 kl / t cem in 2022-23.



Circular Economy, Waste Management and Resource Conservation

From our systematic approach in a circular economy perspective, we utilized various types of waste at our operation with the aim 'wastes nothing'. Waste that is produced is either re-utilized in system or send to resource recovery i.e. downgrade uses. We co-processed 10674 MT of wastes (hazardous/non-hazardous) in our kiln as alternative fuels and raw materials (AFR) in the reporting year. Likewise, we utilized 2,22,587 MT of fly ash for manufacturing of cement in the year 2022-23.

With our focus on sustainability and circular economy, we have achieved consumption of 1414 to plastics under EPR initiative and achieved 89.55% of obligation against requirement of 70%.

By the utilization of AFR we achieved 1.60 % of TSR.



Sales & Supply Chain

The Company continued to increase its blended cement portfolio in total cement production. During 2022-23, the Company increased its blended cement portfolio from 52.30% to 56.40%.

Energy and Climate Change

During 2022-23, the Company's Waster Heat Recovery System (WHRS) at its plant site generated 275 lakh units (Net) of electrical energy. Additionally, the Company consumed 123 lakh units (Net) of wind power through Power Purchase Agreement (PPA).

Thus, a total of 398 lakh units (Net) of green energy was consumed in 2022-23, which is 38.40% of total electrical energy consumption requirement.

The Company continuously focus on green energy with cheaper sourcing and becoming a self-sufficient Company in current energy scenario. With this approach, the Hybrid power contract, executed previous year, will generate about 37% of total power requirement of the plant and put together with WHRS will constitute over 65% of total power needs of the Company.



Atmospheric Emissions

During 2022-23, the overall GHG emission is reduced from 697 kgCO₂ / t cement to 680 kgCO₂ / t cement despite so many variation in fuel quality and fuel price variation in the current year.

Stack emission are maintained below the stipulated guide value of < 30 mg/Nm³. There is overall reduction in specific dust emission to the level of 43 gm / t cem as compared to 55 gm / t cem in previous year. Water sprinkling and plantation of trees is being continuous process of our facility to sustain and protect the environment.

Apart from Raw material storage shed and Coal storage shed, we have taken improvement projects like installation of Continuous Emission Monitoring System (CEMS) in DG set, installation of CEM in other stacks, development of truck parking yard.



NOx emission compliance was ensured through primary and secondary measures for NOx control and implementation of Selective Non-Catalytic Reduction (SNCR) systems in integrated cement plants in previous years. There is 10 % reduction in specific NOx emissions from 425 mg/Nm3 of cement in to 382 mg/Nm3 of cement in 2022-23.

The Company's SOx emissions are well within the specified regulatory limits and do not require major emission control measures. The specific SOx emissions was 43 mg/Nm3 of cement in 2022-23 against 51 mg/Nm3 in previous year.

The Company is required to have continuous online reporting of ambient air quality, effluents and process emission on a real-time basis on the websites of regulatory authorities and accordingly Company has complied with this requirement. Monitoring of major stacks emissions (dust, NOx and SOx) & Continuous Ambient Air Quality (PM10, PM2.5, SO2, NOx, CO, O3) of the Company's plant at Sikka is being done. During the year, the Company has installed Ambient Air Weather & Monitoring System to gather information & monitor on regular basis, in order to reduce the impact of operational emissions on nearby community.



Biodiversity management and greenbelt development

We recognize that our businesses can influence the local ecology of the areas where we operate and that we have significant role to engage in recreation and protecting the ecosystems around us. The Company is committed to the protection of environment and maintenance of biodiversity for balancing the ecosystem. This also helps us in providing an additional aesthetic look in and around our works including our mines and residential areas. A green belt has been developed in the plant premises, mines and nearby areas. Your Company has planted more than 65,000 trees during the year with cumulative plantation of approx. 3,00,000 trees with the survival rate of more than 80 percent. The team at the Plant & Mines has made lot of efforts in conservation and propagation of rare species of trees, Ayurveda plants increasing forest cover and fruit gardens. The native species selected for plantation include Neem, Pipal, Conocarpus, Peela Gulmohar, Chickoo, Mango, Ashok, Amaltas, etc.



For enhancement of biodiversity in operation areas, your Company has taken a forward step for preparation of Comprehensive Action Plan on Biodiversity (CAPB), with having clear vision on conservation of existing habitats, towards further improvement and delivery mechanisms.

Sustainable Mining

Mining is a key activity at SDCCL, carried out for sourcing Limestone, our primary raw material. We operate in secluded, challenging environment with undulated topography and as a result, we are sensitive to the ecological needs of locals. We are always working in manner to ensure that our mining activities cause minimum disturbance.

The Mining is being performed in eco-friendly manner in accordance with approved mining plan without drilling and blasting. Dozer-Ripper is the primary extraction equipment, which eliminates drilling and blasting induced pollutants like dust, noise, vibrations and other emissions. There is no solid waste generated from the mining. Multi-pit mining is adopted for blending low-grade & high-grade limestone for optimum utilization of mineral resources. The limestone is transported through trucks with fully covered tarpaulin. Reclamation of



matured pits and non-mineralized zones are going on side by side as part of the Progressive Mines Closure Plan.



Mining is restricted to above water table and no dewatering from the mines pit. During the reporting year we planted around 31,000 nos. of trees in area of 18.04 hectares land and converted 26.07 Hectares area as water reservoir so far, which helps to recharge ground water table of the surroundings.

Product Quality Management

Quality control is an important aspect of cement production. Product Quality Management (PQM) ensures 'assured quality' of cement. At Digvijay Cement, PQM involves a comprehensive set of tools that are used to control and manage product quality and strength.

Health and Safety

Health and Safety initiatives of the Company has continued to be an integral part of the H&S governance and assurance system. This has reinforced focus on the ground level and leadership engagement through interaction with frontline workers. This initiative has become a way of life at Digvijay and its implementation has improved safety performance in the Company.

Company regularly conducts safety audits through internal team as well as external agencies / authorities and organises EHS Training & awareness programme. Apart from this, Company celebrate National Safety Week, Global Safety Day, Ozone Day, Earth Day etc. covering population at all levels, including school, nearby villages. With a view to encourage and motivate employees (direct & indirect) for active participation, rewards are given every month.

Ethical Practices and Corporate Governance

Company believes that business ethics and profit go together in the long-run for the sustenance of any organization. As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. Company manages its affairs in a fair manner by giving utmost importance to transparency in decision making process, ethical dealings with all, pollution free clean

environment. The way the Company operates is expressed in its Vision and its Values, in its Code of Conduct, and in its other policies.

Company is committed to the creation of long-term sustainable value for the benefit of all its stakeholders. With a view to create awareness amongst all its employees and other stakeholders Company at regular intervals organizes trainings and awareness program. Such initiatives also give great insights into the importance of managing different ethics and conflicting situations.

Details about Company's philosophy and practices on Corporate Governance is included in the Corporate Governance Report, forming integral part of Annual Report.

Innovation and Digitization

Digitization offers a wealth of information about how efficiently cement manufacturing process is performing. Capturing this data in real time is key to achieving optimum performance – as well as increasing the availability factor. At Digvijay Cement new distributed control systems (DCS) and digital tools help enabling to adjust and optimise operating parameters, spot potential problems before they have the chance to escalate, and take advantage of our remote services to diagnose, troubleshoot and even make adjustments from afar. It's all possible with DCS system and other digitalization measures.

Community engagement and Corporate Social Responsibilities

We are a customer-centric organization which takes pride in collaborating with all our customers, from channel partners to the end consumer, in order to better understand their requirements. We conduct regular customer satisfaction surveys which allow our customers to share their valuable feedback with us. Training programmes are conducted for engineers, channel partners, builders and contractors. We organise visits to our manufacturing plant as a part of this initiative. We connect closely with communities around our manufacturing facility and look for opportunities to support them to become more self-sufficient. Enthusiastic and dedicated CSR teams reach out to communities.



Details about CSR activities is included in the Directors Report, forming integral part of Annual Report.

The Company is committed to achieve and comply with sustainable development goals. For this purpose, the Company has defined plans and strategies for the successful implementation and monitoring of the agenda.

CORPORATE GOVERNANCE

The Board of Directors of Shree Digvijay Cement Company Limited ("Company") is pleased to present the Company's Report on Corporate Governance for the year ended 31st March, 2023. This Report includes a review of how corporate governance acts as the foundation for our corporate activity and is embedded in our business and the decisions we make.

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

At Digvijay Cement, Corporate Governance has been an integral part of the way we are doing our business. As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Company's Board is committed to the creation of long-term sustainable value for the benefit of all stakeholders.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees and communities surrounding to our plant, mines and other locations. The Company manages its affairs in a fair manner by giving utmost importance to transparency in decision making process, ethical dealings with all, pollution free clean environment. It is governed by a set of principles, initiatives and management structures that confer an integrated vision and a great deal of agility in decision-making. It also employs the best practices, and it prioritizes a long-term strategic vision of its businesses and the collective interest, focusing on results and meritocracy. The way the Company operates is expressed in its Vision and its Values, in its Code of Conduct, and in its Environment, Social and Governance Policy & Sustainability Principles. Such elements are the organization's guidelines for its businesses, objectives and challenges.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") is given below:

GOVERNANCE STRUCTURE:

The Company has over the years maintained the highest standards of corporate governance processes and has

had the foresight to set up corporate governance practices much before their implementation was mandated through the introduction of regulatory requirements and therefore prompt execution of regulatory & statutory requirements.

Your Company's governance structure broadly comprises of its Board of Directors, Board's designated Committees and the Executive Management.

(i) Board of Directors:

Your Company is managed by qualified and well experienced professionals under the overall supervision of the Board of Directors ('Board'). Company's Board comprises the required combination of Independent and Non-Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 (the "Act") and the SEBI Listing Regulations, as amended (the "SEBI Listing Regulations"). The Board seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled.

The Directors have expertise in their respective functional areas and bring a wide range of skills and experience to make a significant contribution to the Company and Board. The Board plays a primary role to protect the interest of the Company and enhance value of all the stakeholders. The Company has a policy to maintain at least 50% of the Board as Non-Executive Independent Directors. Further, in order to promote the specific objective of gender diversity - a vital asset to the business, there must be at least one-woman Board member.

(ii) Committees of Board:

Boards of Directors perform their advisory and oversight function through well-structured, planned, and assigned committees to take advantage of the expertise of all the Directors. With a view to have better transparency in various areas of the business, to divide the work of the Board into manageable sections and for better accountability, the Board has constituted the committees viz. Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Committee of Directors (for routine matters). These Committees undertake the functions, roles and responsibilities as per terms of reference approved by the Board of Directors and provided in this report.

**(iii) Executive Management:**

The Executive Management of the Company comprising of Executive Chairman and CEO & Managing Director with support from all business & functional heads oversees the day-to-day business and governance under the overall supervision and guidance of the Board.

Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis.

The Board comprises of six (6) Directors consisting of three (3) Non-Executive Independent Directors (50%) including a Woman Director, one (1) Non-Executive Non-Independent Director (16.67%) and two (2) Executive Directors including CEO & Managing Director (33.33%). The Chairman is an Executive Director. The details of the Directors regarding their outside directorships, committee positions as well as their attendance at Board/ General Meetings are as follows:

B) BOARD OF DIRECTORS:**i) Composition of the Board :**

The composition of the Board is in conformity with Regulation 17 and Regulation 17A of the SEBI Listing Regulations read with Section 149 of the Act. In terms of the provisions of the Act and the SEBI Listing

Name of Directors	Category [Executive/ Non-Executive/ Independent]	Number of other Director-ship held [^] in Board		Number of Membership/ Chairmanship of respective Board Committee [^]	No. of Board Meetings (During tenure of respective Directors)		Attended Last AGM [§]
		Listed Company	Other Company		Held	Attended	
Mr. Anil Singhvi	Executive	2	2	4	4	4	Yes
Mr. Mahesh Gupta	Independent	4	-	4	4	4	Yes
Ms. Mini Menon*	Independent	-	-	-	4	4	Yes
Mr. Satish Kulkarni	Independent	-	1	1	4	4	Yes
Ms. Mitu Samar **	Independent	1	2	3	-	-	NA
Mr. Pramod Kabra	Non-Executive	-	2	1	4	4	Yes
Mr. KK Rajeev Nambiar	Executive	-	1	-	4	4	Yes

*Ms. Mini Menon ceased to be a Director of the Company due to her resignation w.e.f. 27th April, 2023

**Ms. Mitu Samarnath Jha was appointed as an Independent Director of the Company w.e.f. 27th April, 2023

[^]These numbers exclude the Directorship / Committee Membership held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013. Further, it includes only the Chairmanship / Membership of the Audit Committee and Stakeholders' Relationship Committee.

[§] Last AGM was held on 20th June, 2022

NOTES:

- None of the Directors are related *inter-se*.
- Mr. Anil Singhvi, directly /indirectly holds following equity shares of the Company as on 31st March, 2023:

Sr.	Name	No. of equity shares of Company held	% of the shares held in the Company	Relation
1	Anagha Advisors LLP	70,24,048	4.84	Designated Partner
2	Ican Investments Advisors Private Limited	32,29,530	2.22	Director
3	Mrs. Nishi Anil Singhvi	1,77,148	0.12	Wife
4	Mr. Anil Singhvi	11,69,492	0.81	Self
	Total	1,16,00,218	7.99	

3. Mr. KK Rajeev Nambiar holds 12,36,816 (i.e. 0.85% of paid-up equity shares of the Company) as on 31st March, 2023.
4. None of the Directors (including non-executive directors) except above, holds any shares in the Company.

ii) Skills / expertise / competencies of Directors

As per the SEBI Listing Regulations, the Board of Directors of the Company have identified the below mentioned skills/ expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge of cement and mining sector;
- Knowledge of strategy, corporate legal, HR, IT, sales & marketing, logistics etc. (specialized professional skill);
- Knowledge of accounts and finance, including taxation (ability to read and understand financial statement); and
- Knowledge of technical, administration and management.

The above skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Name of the Director	Expertise in specific functional areas
Mr. Anil Singhvi	He is having expertise in accounts, finance, taxation, marketing, strategy planning, administration and general management in cement and other sectors.
Mr. Mahesh Gupta	He is having expertise in Business Management, Business Turnarounds, Corporate Legal Matters and all Dimensions of Finance including M&As Restructuring & Taxation.
Ms. Mini Menon	She is having expertise in strategy planning, business administration and management.
Mr. Satish Kulkarni	He is having expertise in executive areas of B2B business, consumer services, channel sales, brand management and marketing and strategic areas of organization structure and business strategy.

Name of the Director	Expertise in specific functional areas
Ms. Mitu Samar	She is having expertise in consulting, brand positioning and reputation management
Mr. Pramod Kabra	He is having expertise in Consumer, healthcare, logistics and financial services.
Mr. K K Rajeev Nambiar	He is having expertise in technical, marketing, HR & administration and management in cement sector

iii) Board Meetings and Attendance of Directors:

Regular meetings of Board of Directors are convened and held to review the performance and to deliberate and decide on various business matters. Calendar of Board / Committee meetings for the year are agreed with the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. It is Company's endeavor to finalise the calendar in such a way that all Members of Board able to participate in Board and Committee meetings. During the year, all the existing Directors and Committee Members attended 100% of meetings held during their tenure.

During the financial year ended on 31st March, 2023, four meetings of the Board of Directors were held. The details of Board Meetings held during the said financial year are as follows:

Sr. No.	Date of Board Meeting	No. of Directors attended (through VC/ OAVM facility/ physically)
1.	27 th April, 2022	6
2.	1 st August, 2022	6
3.	21 st October, 2022	6
4.	27 th January, 2023	6

The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

iv) Agenda process:

The agenda items alongwith notes and information thereto (except for the price sensitive information, which is sent one day before meeting) as provided in Secretarial Standard (SS-1) on "Meeting of the Board of Directors" read with SEBI Listing Regulations and Companies Act, 2013 (hereinafter referred to



as “Act”), are circulated to all Board Members well in advance before the Board Meetings. Additional agenda in the form of “Other Business” are included with the permission of the Chairman and with the consent of the majority of the Independent Directors present at the meeting.

v) Proceedings & Attendance:

Apart from the Board members, the CEO, CFO and Company Secretary also attend all the Board & Committee Meetings. Other senior management executives of the Company / representatives from Promoter are also invited to meetings to provide inputs for the items being discussed by the Board. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board Meeting.

The Directors and Committee Members committed to devote sufficient time available to discharge their duties as Directors or Committee members. As a policy, every Director and Committee members are expected to attend all the meetings held in a calendar year, but in any case, to attend at least 50% of meetings each of Board and Committee meetings held in a calendar year.

vi) Other Directorships:

None of the Directors is a director in more than 10 public limited companies or acts as an independent director in more than 7 listed companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all public limited companies in which he/she is a director.

The details of the directorships and committee memberships in other companies (excluding private limited companies and foreign companies) held by the Directors as on 31st March, 2023 are given below:

Sr. No.	Name of the Director	Other Directorships*	Committee Positions**		Name of the Listed entities	Category of Directorship
			Chairman	Member		
1.	Mr. Anil Singhvi	4	2	2	(1) Subex Ltd. (2) IDFC Ltd.	Non-Executive Non-Independent Independent
2.	Mr. Mahesh Gupta	4	2	2	(1) Ceat Ltd. (2) RPG Life Science Ltd (3) Peninsula Land Ltd. (4) Morarjee Textiles Ltd.***	Independent Independent Non-Executive Non-Independent Non-Executive Non-Independent
3.	Ms. Mini Menon [§]	-	-	-	-	-
4.	Mr. Satish Kulkarni	1	-	1	-	-
5.	Ms Mitu Samar [@]	3	1	2	(1) Times Guaranty Limited	Independent
6.	Mr. Pramod Kabra	2	-	1	-	-
7.	Mr. KK Rajeev Nambiar	1	-	-	-	-

* Includes directorships of Indian public limited companies other than Shree Digvijay Cement Company Limited.

** Includes only Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies (whether listed or not) other than Shree Digvijay Cement Company Limited.

*** Mr. Mahesh Gupta Ceased to be a Director in Morarjee Textile Ltd. w.e.f. 12th April, 2023

[§] Ms. Mini Menon ceased to be an Independent Director of the Company w.e.f. 27th April, 2023

[@] Ms. Mitu Samarnath Jha was appointed as an Independent Director of the Company w.e.f. 27th April, 2023

vii) Independent Directors:

Election Process: Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee (NRC) of the Company, for appointment as Independent Director on the Board. The NRC, *inter alia*, considers qualifications, positive attributes, area of expertise, number of Directorship(s) and Membership(s) held in other companies by such persons, in accordance with Company's policies on selection of Directors. The Board considers the recommendation of NRC and takes appropriate decision.

Every Independent Director at the meeting of Board in which he is appointed as a Director and thereafter at the first meeting of Board held every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law.

Meeting of Independent Directors: As required under the Act, one meeting of the Independent Directors of the Company was held on 14th April, 2022.

Familiarization Programme of Independent Directors: The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter alongwith necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company has, through various programmes and presentations at regular intervals, familiarised and updated the Independent Directors with the strategy, operations and functions of the Company and the Cement Industry as a whole. Regular visits to Company's business locations are organized for the Directors to enable them to understand the operations of the Company. They were regularly updated with the changes in the regulatory environment having significant impact on the operations of the Company.

The terms and conditions of appointment of Independent Directors, number of hours spent, and details of familiarization programmes has been placed on the website of the Company www.digvijaycement.com.

Proficiency : Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate

Affairs ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended vide Notification No. GSR.774(E), dated 18th December, 2020, wherever required, Independent Directors of the Company have undertaken to complete online proficiency self-assessment test conducted by the said Institute.

Independence: The Board of Directors do hereby confirm that the Independent Directors of the Company fulfills the criteria of Independence as per the requirements and are Independent from the management.

C) COMMITTEE OF DIRECTORS

In order to enable Board to focus on specific areas and make informed decisions within the authority delegated to each of the Committees, Board has constituted following committees. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

1. AUDIT COMMITTEE:

- The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act.
- Apart from all the matters provided in Regulation 18 of SEBI Listing Regulations and Section 177 of the Act, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.
- The Audit Committee as on 31st March, 2023 comprises of three Directors, out of these, two (2) are Independent Directors and one (1) is Non-Executive Director. Following are the members of the Audit Committee:
 1. Mr. Mahesh Gupta
 2. Ms. Mini Menon
 3. Mr. Pramod Kabra

Mr. Mahesh Gupta, Independent Director is the Chairman of the Committee. [W.e.f. 27th April, 2023, Audit Committee was reconstituted with the



induction of Mr. Satish Kulkarni as its Member, in place of Ms. Mini Menon.]

- All the Members of the Audit Committee attended the last Annual General Meeting of the Company held on 20th June, 2022 to answer the queries of shareholders.
- During the financial year ended on 31st March, 2023, four Meetings of the Audit Committee were held i.e. 26th April, 2022, 1st August, 2022, 21st October, 2022 and 27th January, 2023.
- The attendance of each member of the Audit Committee are given below:

Name	Designation	Category	Meetings Attended
Mr. Mahesh Gupta	Chairman	Independent Director	4
Ms. Mini Menon	Member	Independent Director	4
Mr. Pramod Kabra	Member	Non-Executive Director	4

The Executive Chairman, CEO & Managing Director and CFO are permanent invitees to the Audit Committee meetings. The Statutory, Internal as well as the Cost Auditors of the Company are also invited to the Audit Committee Meetings.

Mr. Suresh Meher, V.P. (Legal) & Company Secretary, acts as the Secretary to the Committee.

The necessary quorum was present at all the meetings.

The principal terms of reference of the Audit Committee, as approved by the Board and as updated from time to time by the Board, are as under:

- I. (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the director's responsibility statement to be included in the Board's report;

- (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by Management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
 - (6) Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) Approval or any subsequent modification of transactions of the Company with related parties;
 - (9) Scrutiny of inter-corporate loans and investments;
 - (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
 - (11) Evaluation of internal financial controls and risk management systems;
 - (12) Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and

seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- (14) Discussion with internal auditors of any significant findings and follow up there on;
 - (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - (16) Discussion with statutory auditors before the audit commences, about the nature and scope of as well as post-audit discussion to ascertain any area of concern;
 - (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (18) To review the functioning of the whistle blower mechanism;
 - (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- II. The Audit Committee mandatorily reviews the following information:
- (1) Management discussion and analysis of financial condition and results of operations;
 - (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (3) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - (4) Internal audit reports relating to internal control weaknesses; and
 - (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
 - (6) statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency,

if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

- (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

III. In addition to the above, the Audit Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law.

IV. The Audit Committee may make recommendations to the Board on any matter within its purview, by passing appropriate resolutions at its meetings.

2) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (NRC) of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. NRC is governed by a Charter in line with the Act and the SEBI Listing Regulations.

The NRC recommends the appointment of Directors and remuneration of such Directors. The level and structure of appointment and remuneration of all Key Managerial personnel and wherever required of Senior Management Personnel (being the direct reportees to the CEO i.e. the persons holding the positions namely, CFO, Legal Head & CS, HR-Head, Technical Head, Sales & Marketing Head and SCM-Head or any functional head) of the Company, as per the Nomination and Remuneration Policy, is also overseen by this Committee.

The details of composition of the Committee and attendance record of the members at the meeting were as follows:

- The NRC is comprising of three Directors, of these two (2) are Independent Directors and one (1) is Non- Executive Director.

Following are the members of Nomination and Remuneration Committee:

1. Mr. Mahesh Gupta
2. Ms. Mini Menon
3. Mr. Pramod Kabra

Mr. Mahesh Gupta, Independent Director is the Chairman of the Committee. [W.e.f. 27th April, 2023, NRC was reconstituted with the induction of Mr. Satish Kulkarni as its Member, in place of Ms. Mini Menon.]



- During the financial year, one meeting of the Nomination & Remuneration Committee was held on 26th April, 2022 and all the members were present at the meeting.

The attendance of each member of the NRC are given below:

Name	Designation	Category	Meetings Attended
Mr. Mahesh Gupta	Chairman	Independent Director	1
Ms. Mini Menon	Member	Independent Director	1
Mr. Pramod Kabra	Member	Non-Executive Director	1

- Chairman of the Nomination and remuneration Committee attended last Annual General Meeting of the Company held on 20th June, 2022.

Mr. Suresh Meher, Vice President (Legal) & Company Secretary, provided secretarial support to the Committee.

Pursuant to Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, Nomination and Remuneration Committee has the following principal terms of reference:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and senior employees as per Remuneration Policy;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) In addition to the above, the Committee shall have such functions / role / powers, if any,

as may be specified in the Act, SEBI Listing Regulations with stock exchanges or any other applicable law / regulations from time to time or as may be assigned by the Board of Directors.

3) RISK MANAGEMENT COMMITTEE:

The Risk Management Committee was constituted in line with the SEBI Listing Regulations.

The details of composition of the Committee and attendance record of the members at the meeting were as follows:

- The Risk Management Committee comprises of three Directors, of these two (2) are Independent Directors and one (1) is Non- Executive Director. Following are the members of Risk Management Committee :

1. Mr. Mahesh Gupta – Independent Director and Chairman of Committee
2. Ms. Mini Menon - Independent Director and Member of Committee
3. Mr. Pramod Kabra – Non-Executive Director and Member of Committee [W.e.f. 27th April, 2023, Risk Management Committee was reconstituted with the induction of Mr. Satish Kulkarni as its Member, in place of Ms. Mini Menon.]

- During the financial year, two meetings of the Risk Management Committee were held on 26th April, 2022 and 21st October, 2022

The attendance of each member of the Risk Management Committee are given below :

Name	Designation	Category	Meetings Attended
Mr. Mahesh Gupta	Chairman	Independent Director	2
Ms. Mini Menon	Member	Independent Director	2
Mr. Pramod Kabra	Member	Non-Executive Director	2

Mr. Suresh Meher, VP (Legal) & Company Secretary, provided secretarial support to the Committee.

Risk Management Committee has the following principal terms of reference:

- a) Framing, overseeing and monitoring implementation of Risk Management Policy.

- b) Validating the process and procedure of Risk Management and Risk Mitigation.
- c) Periodically reviewing and evaluating the Risk Management Policy.
- d) In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law, and/or as may be delegated by the Board of Directors of the Company, from time to time.

4) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders' Relationship Committee (SRC) of the Board is in line with the of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The Stakeholders Relationship Committee considers and oversees, inter alia, resolution of grievances of security holders and investors of the Company.

During the year, the Committee met once on 26th April, 2022 and all the members were present at the meeting.

Stakeholder Relationship Committee comprising of three Directors, out of these, one (1) is Independent Director, one (1) is Non-Executive Director and one (1) is Executive Director.

Following are the members of Stakeholder Relationship Committee :

1. Ms. Mini Menon
2. Mr. Pramod Kabra
3. Mr. Anil Singhvi

Ms. Mini Menon, Independent Director is Chairperson of the Committee [W.e.f. 27th April, 2023, Stakeholder Relationship Committee was reconstituted with the induction of Ms. Mitu Samar as its Chairperson, in place of Ms. Mini Menon.]

Mr. Suresh Meher – Vice President (Legal) & Company Secretary is the Compliance Officer.

During the year, ten complaints were received from the shareholders. All the complaints have been resolved to the satisfaction of the complainants and no investor complaint was pending at the beginning or at the end of the year.

Particulars	No. of Complaints
At the beginning of the year	NIL
Received during the year	10
Resolved during the year	10
At the end of the year	NIL

The Company has designated an exclusive e-mail ID investors.sdcl@digvijaycement.com for redressal of shareholders' complaints/grievances. Further there were no instances of such complaints which were not solved to the satisfaction of shareholders.

5) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to Section 135 of the Act, the Company has constituted Corporate Social Responsibility Committee, *inter-alia*, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy. Implementation of decisions of Committee and CSR activities are undertaken by the Executive Committee consisting of senior officials from various departments of the Company. CSR Policy is uploaded on website of the Company at <https://www.digvijaycement.com/policies/>.

Corporate Social Responsibility Committee comprises of four Directors, out of these one (1) is Independent Director, two (2) are Executive Directors and one (1) is Non-Executive Director.

- Following are the members of Corporate Social Responsibility Committee as on 31st March, 2023:

1. Mr. Anil Singhvi
2. Mr. Pramod Kabra
3. Ms. Mini Menon
4. Mr. KK Rajeev Nambiar

- Mr. Anil Singhvi, Executive Director is the Chairman of the Committee [W.e.f. 27th April, 2023, CSR Committee was reconstituted with the induction of Mr. Satish Kulkarni as its Member, in place of Ms. Mini Menon. Further Mr. Kulkarni was appointed as Chairman of the Committee.]

All the members were present at the meeting held on 26th April, 2022.

The Annual Report on CSR activities, carried out during the year 2022-23, is annexed to Directors' Report.

Apart from above Committees, Board also has constituted a "Committee of Directors" consisting of Mr. Anil Singhvi, as its Chairman; Mr. Pramod Kabra and Mr. K K Rajeev Nambiar as its members, whose principal terms of reference is to consider and decide on routine business matters, as brought before the Committee from time to time, as delegated by the Board.

**D) NOMINATION, APPOINTMENT & REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:**

The Company is committed to excel in every sphere of its activity by attracting and retaining qualified, talented and experienced professionals through efficient selection and evaluation mechanism and to incentivize them to develop and implement the Company's Strategy, thereby enhancing the business value and maintains a high-performance workforce.

With the above objective, the Board of Directors has adopted the Nomination and Remuneration Policy, which is uploaded on the website of the Company at <https://www.digvijaycement.com/policies/>. This Policy, *inter alia*, sets out the guiding principles for determining the nominations of Directors & Key Managerial Personnel, and remuneration of Whole-time Director(s), Managing Director and other Executive Directors & other Directors, Senior Management Personnel and other employees.

Election Process of Executive Directors:

Considering the requirement of skill sets and expertise on the Board as well as Company, eminent people having expertise in cement industries, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee (NRC) of the Company, for appointment as Executive Director on the Board. The NRC, *inter alia*, considers qualifications, positive attributes, area of expertise, number of Directorship(s) and Membership(s) held in other companies by such persons, in accordance with the Company's Policy and other policies on selection of Directors. The Board considers the recommendation of NRC and takes appropriate decision.

Election Process of Non-Executive Directors:

All proposals on appointment of Non-Executive Directors including Independent Directors are reviewed by NRC. NRC identify potential candidates after assessment of their level of competence, experience and their personal and other positive attributes, compliance with applicable laws before making its recommendation to the Board. In case of re-appointment of Non-Executive Directors, NRC whilst making its recommendation to the Board of Directors, also take into consideration the performance evaluation of the Director and his engagement level.

In case of recommendation for appointment of Independent Directors, NRC shall also satisfy itself with regard to the independent nature of the Director *vis-à-vis* the Company apart from number of directorship and committee positions in other companies.

Every Director at the first meeting of Board in which he participates as a Director and thereafter at the first meeting

of Board held every financial year, gives a declarations and disclosures as per statutory requirement.

Performance Evaluation for Board, Committees, Individual Directors (Independent and Non- Independent Directors):

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually as per the process and criteria laid down by the Board of Directors based on the Policy on Performance Evaluation for Board, Committees, Individual Directors and Nomination & Remuneration Policy. Forms with structured rating on a scale of 1 to 5 [1 = Strongly disagree; 2 = Disagree; 3 = Not Applicable; 4 = Agree; 5 = Strongly agree] on the functioning and performance of the Board, Committees and individual Directors was circulated to all Board and Committee Members, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, frequency of meetings, competencies, Board culture, execution and performance of specific duties, obligations & governance, Directors' knowledge, skills, time devoted and contributions made to Board and Committee meetings deliberations & policy decisions etc.. A consolidated summary of the ratings given by each Director was then prepared. The Independent Directors (IDs) at their meeting discussed the performance of the Chairman and Managing Directors, Board and other Directors (other than IDs) and briefed to Board on their suggestions. Evaluation of Committees of Board and Independent Directors were also submitted to Board through Chairman. The report of performance evaluation was then discussed and noted by the Board at their Meeting. The Directors expressed their satisfaction with the evaluation process of the Company and also noted the feedback of Independent Directors.

Remuneration of Directors:**Executive Directors**

Remuneration including all perquisites and benefits of all Executive Directors are within the overall limits approved by the shareholders, subject to ceiling prescribed under the Act and other applicable laws. Executive Directors are not entitled to any sitting fees for attending meeting of the Board and committees thereof.

Non-Executive Directors

Remuneration for all Non-Executive Directors (including Independent Directors) are within the overall limits prescribed under the Act. In addition to remuneration by way of commission, as may be approved by the Board from time to time within the limits approved by the shareholders, Independent Directors are also entitled to sitting fees for attending each meeting of the Board and committees thereof as per limits as approved by the Board from time to time.

The details of remuneration paid to the Directors for the financial year 2022-23 are given below:

(In Rupees)

Name of Director	Designation	Salary	Commission	Perqui-sites	Retirement Benefits	Sitting Fee	Total
Mr. Anil Singhvi	Executive Chairman	2,99,28,000	-	-	-	-	2,99,28,000
Mr. KK Rajeev Nambiar	CEO & Managing Director	2,45,83,201	-	2,69,18,563	-	-	5,15,01,764
Mr. Mahesh Gupta	Independent Director	-	5,00,000	-	-	10,00,000	15,00,000
Ms. Mini Menon	Independent Director	-	5,00,000	-	-	11,00,000	16,00,000
Mr. Satish Kulkarni	Independent Director	-	5,00,000	-	-	4,50,000	9,50,000
Mr. Pramod Kabra	Non-executive Director	-	-	-	-	-	-
Total		5,45,11,201	15,00,000	2,69,18,563	-	25,50,000	8,54,79,764

Notes:

- 1) Apart from sitting fees for attending Board/Committee Meetings, compensation by way of commission has been paid to the Independent Directors during the year. Other than this, there have not been any significant material transactions with the Non-Executive Directors *vis-à-vis* the Company during the year. Payment of remuneration by way of Commission to Independent Directors will be made for the financial year 2022-23, based on net profits of said financial year.
- 2) The Non-Executive Directors, other than Independent Directors are not accepting any sitting fee for attending Board/Committee meetings nor remuneration by way of commission, if any.
- 3) The service contracts and notice period of Executive Directors are as per Company's Policy. As per contracts, no severance fees payable to any of Executive Directors.
- 4) Total Salary of Mr. KK Rajeev Nambiar, CEO & Managing Director includes:
 - a) Variable Pay for the financial year 2021-22 amounting to Rs. 68,00,000/-; and
 - b) Perquisite value of Rs. 2,49,82,500/- on account of exercise of 5,00,000 stock options by him during the year.

Stock Options:

Out of 70,60,000 stock options granted to eligible employees and director of the Company under SDCCL Employee Stock Option Plan 2019, 14,69,250 (Fourteen lakhs Sixty Nine Thousand Two Hundred Fifty) stock options got vested during the year 2022-23.

Details of stock options granted to Mr. KK Rajeev Nambiar, CEO & Managing Director under SDCCL Employee Stock Option Plan 2019 ("ESOP 2019") and those got vested and exercised are as under:

Financial Year	Stock Options granted	Date of vesting*	No. of Options Vested / to be vested*	No. of options exercised	Fixed Price per option at which / granted exercised	No. of options unexercised at the end of year	Period over which exercisable
2019-20	28,50,000	NA	NIL	NIL	Rs. 16	NA	Within a maximum period of 5 years commencing after each Vesting
2020-21	-	05/08/2020	5,70,000	1,99,998	Rs. 16	3,70,002	
2021-22	-	05/08/2021	7,48,125	8,47,502	Rs. 16	2,70,625	
2022-23	-	05/08/2022	5,34,375**	5,00,000	Rs. 16	3,05,000	
2023-24	-	05/08/2023	5,70,000*	NA	Rs. 16	NA	
Total	28,50,000@		27,43,125	15,47,500			

@Out of 28,50,000 options granted, 50% will get vested on completion of each anniversary, while 50% will be performance based and vesting of which will be subject to Committee approval after performance evaluation.

* Comprising of both time based and performance-based options, to be vested in 2023-24, subject to fulfilment of conditions of ESOP 2019.



** During the year, 5,34,375 options were vested i.e. 4,27,500 options on time basis and 1,06,875 options of previous year vested on performance basis. Vesting of 4,27,500 performance-based options allocated for 2022-23, including timing of vesting of said options, will be subject to Committee approval.

More details about Stock Options are given under the head 'Employees Stock Option Scheme (ESOP)' in the Directors' Report.

Appointment and Remuneration for the Senior Management Employees

For appointment and in determining the remuneration of the Senior Management Employees and Key Managerial Personnel, the criteria and guidelines mentioned in the Nomination & Remuneration Policy and Company's HR Policy is followed.

E) DISCLOSURES:

Legal Compliances:

The Company follows a formal system of legal compliance & reporting to facilitate periodical review by the Board of compliance status of all laws applicable to the Company and steps taken to rectify non-compliances, if any. There were no instances of material non-compliance, and no penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

Certificate from Company Secretary in practice on Non-Disqualification of Directors from appointment as Directors of the Company:

The Company has obtained a certificate from M/s Manoj Hurkat & Associates, Company Secretary in Practice that none of the Directors of Company are disqualified from being appointed/ continuing as Director of the Company.

Code of Conduct:

Code of Conduct adopted by the Company has been posted on the website of the Company. It prescribes Mechanisms to record and report on breaches against Code of Conduct. Company regularly conduct training program and awareness sessions to sensitize employees and contractors on Code of Conduct provisions, consequences of its breach etc. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code of Conduct for the effective period. The declaration by the CEO & Managing Director is annexed to this report.

Related Party Transaction:

Pursuant to Regulation 23 of the SEBI Listing Regulations and applicable provisions of the Act, the Company has formulated Related Party Transactions Policy for dealing with Related Party transactions. Transactions with every Related Party are as per the provisions of the law and the Related Party Transactions Policy. All Transaction with related parties was in the ordinary course of business and on arm's length pricing basis. The Policy on related party transaction has been placed on the Company's website and can be accessed through <https://www.digvijaycement.com/policies/>.

CEO / CFO Certification:

The CEO & Managing Director and Chief Financial Officer (CFO) of the Company gives an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The CEO & Managing Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI Listing Regulations.

Vigil Mechanism / Whistle Blower Policy:

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior. The Company has adopted a Whistle Blower Policy ("Policy") as per the applicable laws and as per the standards, policies and procedures as laid down in Company's Code of Conduct ("Code") through which the Company has institutionalized a mechanism for the Stakeholders to disclose their concerns and grievances on unethical behavior and improper / illegal practices and wrongful conduct taking place in the Company for appropriate action.

As per the Policy, all Protected Disclosures concerning any alleged wrongful conduct or act can be addressed/ reported to the Conduct Committee with copy to Chairman of Audit Committee, or directly to Chairman of Audit Committee, through the following email ids:

Name	Email id
Conduct Committee	WB.Committee@digvijaycement.com
Mr. Mahesh Gupta- Chairman of Audit Committee	WB.ACChairman@digvijaycement.com

Through this Policy, the Company provides adequate safeguards to all whistle blowers for making Protected Disclosures in Good Faith and any Stakeholder assisting

the investigation and provides for direct access to the Chairman of the Audit Committee. None of the employees of the Company has been denied access to the Audit Committee.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year : NIL
- number of complaints disposed of during the financial year: NIL
- number of complaints pending as on end of the financial year: NIL

Policy for preservation of documents:

The Company has a policy for preservation of documents. The said policy is available at Company's website at www.digvijaycement.com.

Policy for determination of material event and price sensitive information:

The Company has a policy for determination of material event and price sensitive information. The said policy is available at Company's website at www.digvijaycement.com.

Commodity price risk and hedging activities:

Most of raw materials that are used in the manufacturing operations of cement product of the Company are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company has Risk Management framework to proactively mitigate if there is any risk arising.

Fees paid to the Statutory Auditors:

During the financial year 2022-23, the Statutory Auditors of the Company were paid fees for audit and fees for other services as per below details:

(Rs. in lakhs)

Name of the Auditors	Fees paid			Total
	For Statutory Audit*	For other Services	For Tax Audit#	
BSR & Associates LLP	23.92	0.26	1.53	25.70

*Statutory Audit fees includes fees paid for 2021-22 as well and out of pocket expenses for 2021-22.

#Tax audit fees is for the tax audit of books of accounts for 2021-22 including out of pocket expenses.

Other Policies and Disclosures:

The Company has also adopted other policies as required under SEBI Listing Regulations and other applicable laws, circular and notifications.

The discretionary requirements as specified in Part E of Schedule II of SEBI Listing Regulations, wherever applicable to the Company, have been adopted. Further the Company has complied with disclosure requirements, wherever applicable, as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations.

In addition, the Company has, in line with its focus areas and international standards, developed an Environmental, Social and Governance (ESG) policy to incorporate ethical, environmental and social considerations into business activities thereby mitigating material risks, exploring areas of opportunity and improving overall performance.

Mandatory & Non-Mandatory Clauses:

The Company has complied with all mandatory requirements laid down by SEBI Listing Regulations. The non-mandatory requirements complied with and has been disclosed at the relevant places.

F) GENERAL BODY MEETINGS

Details of Annual General Meeting (AGM) held during last three years are as under:

AGM	Financial Year	Location of the Meeting	Date & Time
75 th	2019-20	Through Video Conference (VC)	30 th June, 2020 at 03.00 p.m.
76 th	2020-21	Through Video Conference (VC)	18 th June, 2021 at 10.00 a.m.
77 th	2021-22	Through Video Conference (VC)	20 th June, 2022 at 10.00 a.m.

The details of special resolutions passed in the previous three Annual General Meetings are as follows:

Date of AGM	No. of special resolutions passed	Brief particulars of Special Resolution
30 th June, 2020	None	None
18 th June, 2021	1	Re-appointment of Mr. KK Rajeev Nambiar (DIN: 07313541) as Managing Director and fixation of remuneration.
20 th June, 2022	1	Remuneration to Executive Chairman

During the year, the Company has not passed any resolution through Postal Ballot.

**G) MEANS OF COMMUNICATION**

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Company and Stock Exchanges, Press Releases, Annual Reports and uploading relevant information on its website.

It has been endeavor of the Company to approve and announce the financial results much before the statutory time limits of forty- five days of the close of each quarter for the unaudited quarterly results and sixty days from the end of the financial year in respect of the audited annual financial results, as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited – Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portal of National Stock Exchange of India Limited – NSE's Electronic Application Processing System (NEAPS) and www.digitalexchange.nseindia.com.

The Annual Report of the Company, the quarterly/ half-yearly, the audited financial statement and the official news releases of the Company are also disseminated on the Company's website at www.digvijaycement.com. The quarterly, half yearly and yearly results are also published in Financial Express in all editions of English language and The Financial Express in Gujarati language. These were also promptly put on the Company's website at www.digvijaycement.com.

The Ministry of Corporate Affairs ("MCA") vide circular no. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021, 02/2022 dated 5th May, 2022 & 10/2022 dated 28th December, 2022 (the 'MCA Circulars'), provided certain relaxations for companies, including conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) ('electronic mode'). Said MCA Circulars had also dispensed with the printing and dispatch of annual reports to shareholders.

In line with the above MCA Circulars, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 dispensed with the requirement of Regulation 36 (1)(b) and (c) of the SEBI Listing Regulations for listed entities, who conduct their AGMs, *inter alia*, on or before 30th September, 2023, which otherwise prescribes that a listed entity shall send the hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Act to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same, respectively.

Pursuant to the MCA Circulars and SEBI Circulars this Notice along with the Annual Report for FY 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / their Depository Participants ("DPs"), unless any Member has requested for a physical copy of the same.

With respect to detailed procedure for Remote e-voting or voting through electronic mode and attending the AGM through VC/OAVM, please refer the Notes and instructions annexed to Notice of 78th AGM.

GENERAL INFORMATION TO SHAREHOLDER

- **Financial Year** : 1st April, 2022 to 31st March, 2023
- **Record Date** : Wednesday, 21st June, 2023
- **Annual General Meeting** : Wednesday, 28th June, 2023 at 10:00 a.m. at Digvijaygram, Gujarat, India through VC/OAVM
- **Dividend Payment Date** : The proposed Final Dividend, if approved at the ensuing AGM, will be distributed by 6th July, 2023.

Tentative Financial Calendar for the year 2023-24:

Financial Year	1 st April to 31 st March
Quarterly results and Limited Review for the quarter ending 30 th June, 2023	
Quarterly/ Half-yearly results and Limited Review for the quarter ending 30 th September, 2023	Within 45 days of the end of the quarter
Quarterly/ Nine-months results and Limited Review for the quarter ending 31 st December, 2023	
Results for the Year ending 31 st March, 2024	Within 60 days of the end of the financial year
Annual General Meeting for the year ending 31 st March, 2024	By end of September, 2024

Listing of Shares :

The Equity Shares of the Company are listed at the following Stock Exchanges:

Name of Exchange	Stock Code
1. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051	SHREDIGCEM
2. BSE Ltd.(BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001	502180

Annual Listing fees for the financial year 2023-24 paid to both the Stock Exchanges.

The security of the Company was never suspended from trading during the year 2022-23

Corporate Identity Number (CIN) : L26940GJ1944PLC000749

ISIN No. INE232A01011

Market Price Data during financial year 2022-2023:

Months	BSE (in Rs.)			NSE (in Rs.)		
	High	Low	Volume	High	Low	Volume
April-2022	80.50	68.85	13,05,864	80.55	69.05	88,12,426
May-2022	74.50	58.00	5,79,654	74.65	57.25	32,85,910
June-2022	66.15	52.40	3,06,156	66.70	52.10	21,60,345
July-2022	64.25	58.45	2,06,163	64.05	58.20	18,17,175
August-2022	72.15	60.40	5,45,659	72.40	60.65	49,70,492
September-2022	76.05	63.65	11,70,610	74.90	64.10	84,74,997
October-2022	68.85	62.90	2,76,775	68.95	62.85	29,47,464
November-2022	74.05	64.35	4,93,491	74.10	64.55	62,22,104
December-2022	79.40	62.70	19,02,952	79.35	62.95	1,15,07,115
January-2023	75.90	68.05	8,92,018	76.05	68.00	61,35,259
February-2023	73.35	62.30	5,39,809	73.45	63.70	34,71,538
March-2023	68.90	57.30	2,53,553	67.00	57.30	31,25,670

The performance of the equity share price of the Company vis-à-vis the S&P BSE Sensex is as under:

Months	Company's Share Price at BSE (Rs.)	S & P BSE Sensex	Relative Index for comparison purpose	
			Company Share price index	BSE Sensex
March-2022	69.15	58568.51	100.00	100.00
April-2022	73.15	57060.87	105.78	97.43
May-2022	63.10	55566.41	86.26	97.38
June-2022	58.80	53018.94	93.19	95.42
July-2022	62.65	57570.25	106.55	108.58
August-2022	68.50	59537.07	109.34	103.42
September-2022	66.60	57426.92	97.23	96.46
October-2022	66.75	60746.59	100.23	105.78
November-2022	72.10	63099.65	108.01	103.87
December-2022	71.55	60840.74	99.24	96.42
January-2023	70.90	59549.90	99.09	97.88
February-2023	64.50	58962.12	90.97	99.01
March-2023	61.79	58991.52	95.80	100.05

**Company's Share Price on BSE and BSE Sensex Trend (Base Price basis):****Company's Share Price on NSE and CNX Nifty Trend (Base Price basis) :****Dividend history for the last 5 years is as under:**

Financial Year	Date of Declaration	Dividend per Share (Rs.)
2018-19	NA	NIL
2019-20	30-06-2020	Rs. 1.50 (i.e. 15%)
2020-21	18-06-2021	Rs. 2.50 (i.e. 25%)
2021-22	27-10-2021	Interim Dividend : Rs. 1.50 (i.e. 15%)
	27-04-2022	Final Dividend: Rs. 2.00 (i.e. 20 %)
		Total Dividend: Rs. 3.50 (i.e. 35%)
2022-23	21-10-2022	Interim Dividend : Rs. 1.50 (i.e. 15%)
		*Final Dividend: Rs. 2.50 (i.e. 25 %)
		Total Dividend: Rs. 4.00 (i.e.40 %)

* As recommended by Board of Directors at its meeting held on 27th April, 2023 and subject to approval of shareholders at the ensuing 78th Annual General Meeting scheduled on 28th June, 2023.

Unclaimed Dividends:

The Company currently has no unclaimed dividends that need to be transferred to the Investor Education & Protection Fund (IEPF), as no dividend were declared during 1987 to 2018-19.

Registrar and Share Transfer Agents (RTA):

M/s Link In-time India Pvt. Ltd.
C-101, 247 Park
LBS Marg, Vikhroli (W), Mumbai – 400 083
Telephone No. 022-4918 6000
Fax No. 022-4918 6060
e-mail: rnt.helpdesk@linkintime.co.in

Investors Correspondence:

The Company Secretary
Shree Digvijay Cement Company Limited
CIN: L26940GJ1944PLC000749
Digvijaygram – 361 140
Dist. Jamnagar (Gujarat)
Telephone : (0288) 2344 272 - 2344 275
Fax No. : (0288) 2344 092
Website : www.digvijaycement.com

Exclusive e-mail id for Investors' Grievances :

Pursuant to Regulation 85 of the SEBI Listing Regulations, the following e-mail id has been designated for communicating investors' grievances:

e-mail : investors.sdcccl@digvijaycement.com

Green Initiative - Electronic mode of service of documents

The Ministry of Corporate Affairs ("MCA") has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed thereunder. The Members can receive various notices and correspondences including Annual Reports i.e. Audited Financial Statements, Directors' Report, Auditors' Report, etc., through electronic mode (e-mail). The initiative taken by the MCA is a welcome move for the society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt of communication and avoid loss of document in postal transit.

Dematerialisation

SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.

Share Transfer System:

a) Transfer of Securities held in physical Mode

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA. The procedure to dematerialise shares is available at <https://www.digvijaycement.com>. Shareholders may also write to our RTA on rnt.helpdesk@linkintime.co.in or to the Company's mail id. Investors.sdcccl@digvijaycement.com requesting for such forms.

b) Nomination facility for shareholding

Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company and RTA. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.

c) Permanent Account Number (PAN) and Bank Account details:

The SEBI has, vide its circular dated 3rd November, 2021 and 15th December, 2021, mandated furnishing of PAN, KYC details and nomination by holders of physical securities by 31st March, 2023, and linking PAN with Aadhaar by 1st October, 2023. Accordingly, Shareholders are requested to submit their PAN, KYC



and nomination details to the Company's registrars through the forms available at www.digvijaycement.com. Company has also sent communications in this regard to eligible shareholders.

Pursuant to aforesaid SEBI Circular, in case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents.

d) Share certificates of Rs.100 Face Value

The Company had subdivided the face value of its Equity shares from Rs.100 to Rs.10 in 1995. The old shares having face value of Rs.100 are no longer tradable on the stock exchange. Members holding share certificates of the face value of Rs.100 are requested to send the certificates to the Company

Distribution of shareholding as on 31st March, 2023:

Holdings	No. of Shareholders	% age	No. of shares	% of shares
1-500	61,740	84.41	73,94,743	5.09
501-1000	5,568	7.61	46,38,929	3.19
1001-2000	2,830	3.87	43,68,982	3.01
2001-3000	960	1.31	24,61,219	1.70
3001-4000	401	0.55	14,46,073	1.00
4001-5000	459	0.63	21,83,055	1.50
5001-10000	676	0.92	50,78,530	3.50
10001 & above	507	0.69	11,76,31,247	81.01
Total	73,141	100.00	14,52,02,778	100.00

Dematerialisation of Shares and liquidity:

As on 31st March, 2023, 99.51% of the Company's total equity shares representing 14,44,86,371 equity shares were held in dematerialized form and 7,16,407 equity shares representing 0.49% of paid-up share capital were held in physical form.

Shareholding Pattern as on 31st March, 2023

Category	No. of shares held	% of total Shares
Promoter (A)	8,08,25,928	55.66
Public Shareholding	6,43,76,850	44.34
Foreign Portfolio Investor	1,67,418	0.12
Financial Institutions/ Banks	4,897	0
Insurance Companies	450	0
Individuals	4,28,49,003	29.51
Any Other		
- Bodies Corporate	56,32,291	3.88
- LLP	78,15,264	5.38
- NRIs	30,95,817	2.13
- Trust	36,090	0.02
- HUF	21,03,477	1.45
- Clearing Members	17,160	0.01
- Directors and their relatives	24,06,308	1.67
- Key Managerial Personnel	2,48,675	0.17
Total Public Shareholding (B)	6,43,76,850	44.34
Total Shareholding (A + B)	14,52,02,778	100

Secretary of the Company for exchange with shares of the face value of Rs. 10 each.

e) Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

f) Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent external Auditors (Practicing Company Secretary) with a view to reconcile the total share capital admitted with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and shares held in physical form, with the issued and listed capital. The Auditors Certificate in regard to the same is submitted to BSE and NSE and also placed before the Stakeholders Relationship committee and the Board of Directors.

Registered Office & Works / Plant Location:

Shree Digvijay Cement Company Limited

CIN: L26940GJ1944PLC000749

Digvijaygram – 361 140

Dist. Jamnagar (Gujarat)

Telephone : (0288) 2344 272 -2344 275

Fax No. : (0288) 2344 092

Website : www.digvijaycement.com

e-mail : investors.sdcl@digvijaycement.com

Non-Mandatory / Discretionary requirements of regulation 27 (1) & Part E of Schedule II of the SEBI Listing Regulations:

Shareholders Rights:

The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and are also posted on the Company's website.

Auditor's Opinion:

The Company's financial statements for the financial year 2022-23 do not contain any audit qualification.

Reporting of internal auditor:

The internal auditors report to the Audit Committee.

Separate posts for chairperson and chief executive officer:

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

Code for Prohibition of Insider Trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a "Code of Conduct for Prevention of Insider Trading". The Company Secretary is the "Compliance Officer". The Code of Conduct is applicable to all Directors and designated persons as defined in the Code of Conduct.

ANNEXURE TO CORPORATE GOVERNANCE REPORT

To

The Shareholders,

Affirmation of Compliance with Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended 31st March, 2023.

For Shree Digvijay Cement Co. Ltd.

Place : Digvijaygram

Date : 27th April, 2023

KK Rajeev Nambiar
CEO & Managing Director



CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Shree Digvijay Cement Company Limited

We have examined the compliance of conditions of Corporate Governance by **Shree Digvijay Cement Company Limited** ("the Company"), for the year ended 31st March, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility:

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility:

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2023.

We conducted our engagement in accordance with the "Guidance Note on Corporate Governance Certificate" issued by the Institute of Company Secretaries of India. Our responsibility is to certify based on the work done.

Opinion:

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Restrictions on use:

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR DM & ASSOCIATES COMPANY SECRETARIES LLP
COMPANY SECRETARIES
UNIQUE CODE: L2017MH003500

DINESH KUMAR DEORA
PARTNER

Membership No.: FCS 5683 COP No 4119
UDIN Number: F005683E000207797

Place: Mumbai
Date: 27-04-2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity:

1	Corporate Identity Number (CIN) of the Listed Entity	L26940GJ1944PLC000749
2	Name Of the Listed Entity	Shree Digvijay Cement Company Limited
3	Year of incorporation	1944
4	Registered office address	Digvijaygram-361140, Via: Jamnagar, Gujarat, India
5	Corporate address	Digvijaygram-361140, Via: Jamnagar, Gujarat, India
6	E-mail	Investors.sdcccl@digvijaycement.com
7	Telephone	(0288) 2344272-2344275
8	Website	www.digvijaycement.com
9	Financial year for which reporting is being done	April 2022 to March 2023 (FY 2022-23)
10	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. & National Stock Exchange of India Ltd.
11	Paid-up Capital	Rs. 14,520.28 Lakhs
12	Name and contact details (telephone, email-address) of the person who may be contacted in case of any queries on the BRSR Report.	Mr. Suresh Kumar Meher V.P.(Legal) & Company Secretary Telephone: 0288-2344272 Email: suresh.meher@digvijaycement.com
13	Reporting boundary- Are the disclosures under this report made on standalone basis (i.e. for the entity) or on Consolidated basis.	The report is done on a standalone basis.

II. Products/Services:

14. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Cement Manufacturing	98.69%

15. Product/Services sold by the entity (accounting for 90% of the entity's turnover):

S.No.	Product/Services	NIC Code	% of total turnover contributed
1.	Cement	23942	98.69%
2.	Other Income	NA	1.31%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	1(one) Integrated Cement Plant	8*	9
International	Nil	Nil	Nil

*8 offices include marketing offices.

17. Markets served by the entity:

a. Number of Locations

Location	Number
National (No. of states)	9
International	1

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports to the total turnover is 0.26%.

c. A brief on types of customers

The company has both Commercial Customers (B2B Business) and Private Customers (B2C Business). The customers include trade, non-trade and Governments.

**IV. Employees**

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Males		Females	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES (OTHER THAN WORKERS)						
1.	Permanent(D)	190	185	97.37	05	2.63
2.	Other than Permanent(E)	17	11	64.71	06	35.29
3.	Total Employees(D+E)	207	196	94.74	11	5.31
WORKERS						
4.	Permanent(F)	51	51	100	0	-
5.	Other than Permanent(G)	357	343	96.08	14	3.92
6.	Total Workers(F+G)	408	394	96.59	14	3.41

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Males		Females	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFERENTLY ABLED EMPLOYEES (OTHER THAN WORKERS)						
1.	Permanent(D)	-	-	-	-	-
2.	Other than Permanent(E)	-	-	-	-	-
3.	Total differently abled Employees(D+E)	-	-	-	-	-
DIFERENTLY ABLED WORKERS						
4.	Permanent(F)	-	-	-	-	-
5.	Other than Permanent(G)	05	04	80%	01	20%
6.	Total differently abled Workers(F+G)	05	04	80%	01	20%

19. Participation/inclusion/representation of women

	Total	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	6	1	16.67
Key Managerial Personnel**	2	-	-

* Comprising CEO & Managing Director

** Comprising Chief Financial Officer and Company Secretary.

20. Turnover rate for permanent employees and workers

Particulars	FY 2022-23			FY 2021-2022			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.17%	-	8.17%	11.36%	-	11.36%	10.79%	-	10.79%
Permanent Workers									

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding/subsidiary/associate companies/joint venture

S.No.	Name of holding/subsidiary/associate companies/joint ventures(A)	Indicate whether holding/subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity participate in Business Responsibility initiatives of listed entity?
1.	SDCCL Logistics Limited	Subsidiary	100	No

VI. CSR Details:

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in Rs.) : 72,487.43 Lakhs
(iii) Net worth (in Rs.) : 32,469.02 Lakhs

VII. Transparency and Disclosure Compliances:

23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web-link*)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes	0	0	-	0	0	-
Investors (other than Shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	10	0	-	3	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	2	0	-	3	0	-
Value Chain Partners	Yes	-	-	-	-	-	-
Others	Yes	0	0	-	0	0	-

* weblink: www.digvijaycement.com

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications .

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications (indicate positive or negative implications)
1.	Community engagement & CSR	Opportunity	• Increased focus on sustainable community development	• Enhance scope of existing programmes • Greater reach to communities	Positive
2.	Regulatory Compliances	Risk	• Dynamic Regulatory landscape	• Adherence to all applicable laws.	Negative
3.	Dialogue & Communication	Opportunity	• Better positioning in market • Low awareness among key stakeholders	• Communicate sustainability stories to consumers • Interactive platforms like digital marketing	Positive
4.	Water, Efficiency	Risk	• Ground water depletion	• Strategic plan to become water neutral.	Negative
5.	Energy & GHG Emissions	Risk & Opportunity	• Dependency on non-renewable coal-based grid consumption	• Energy efficient Technologies to reduce Consumption	Risk- Negative Opportunity- Positive
6.	Governance and accounting	Opportunity	• Influencing policies and procedures for larger good	• Working closely with the stakeholders	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

- P 1** Business should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable.
- P 2** Business should provide goods and services in a manner that is sustainable and safe.
- P 3** Business should respect and promote the well-being of all employees, including those in their value chains.
- P 4** Business should respect the interests of and be responsive towards all its stakeholders.
- P 5** Business should respect and promote human rights.
- P 6** Business should respect, protect, and make efforts to restore the environment.
- P 7** Business when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P 8** Businesses should promote inclusive growth and equitable development.
- P 9** Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Web-link of the policies	https://www.digvijaycement.com/policies/								
2. Whether the entity has translated the policy into procedure (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	All the policies are in comparable with the best practices in the Industry. The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 14,001, ISO 45,001, GRI – standards, wherever relevant and applicable.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Please refer to other sections of Board report including Corporate Governance Report								
6. Performance of the entity against specific commitments, goals, and targets along with reasons in case the same are not met.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Please refer to other sections of Board report including Corporate Governance Report								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

Please refer to the Annexure to Management Discussion and Analysis Report (MDA) forming part of the Annual Report.

8. Details of highest authority responsible for implementation and oversight of the Business Responsibility Policy.

Mr. KK Rajeev Nambiar - CEO & Managing Director;

Mr. Vikas Kumar – CFO; and

Mr. Suresh Kumar Meher -V.P. (Legal) & Company Secretary.

E-mail: suresh.meher@digvijaycement.com

9. Does the entity have a specified committee of the Board/Director responsible for decision making on sustainability related issues? Yes/No. If yes, provide details.

Yes. The Committee of Directors comprising of 3 Board Member, vested with responsibility for decision making on sustainability and other related issues. The Committees with well-defined responsibilities oversee the governance at Shree Digvijay Cement.

The targets related to environmental, social and governance KPI is part of the KRA of senior management. The business responsibility performance of the Company is assessed by the aforesaid executives. Overall performance is assessed annually by the Board.

10. Details of Review by NGRBCs by the company

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee										Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9		
- Performance against above policies and follow up action	Committees of the Board										Annually									
- Compliance with statutory requirements of relevance to the principles, and, rectification of any non-Compliances	Committees of the Board										Quarterly									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Y/N). If yes, provide the name of the agency
- | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|----|----|----|----|----|----|----|----|----|
| | | | | | | | | | |

Yes, the Company has third party certified management systems, Policies also undergo third party certification. Further, the policies are evaluated from time to time and updated whenever required.

ESG Policy is implemented with the help of independent external agency and review / evaluation of the implementation and working of the Policy take place by such agency on regular intervals.

12. If answer to question (1) is No i.e not all the principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									Not Applicable
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									Not Applicable
The entity does not have the financial/human and technical resources available for the task (Yes/ No)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									Not Applicable
Any other reason									Not Applicable

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURES****PRINCIPLE 1**

Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics/ Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	- Updates on ESG initiatives. - Updates on various policies and procedures, Code of Conduct alongwith Anti-Bribery, Anti-Trust, Conflict of Interest, other codes and policies, role & responsibility of Directors and Committees. The Board members has been updated with the above and the underlying principles thereby adding values.	100%
Key Managerial Personnel	5	In addition to the above, regulatory updates, safety, compliance & awareness programs.	100%
Employees other than BOD and KMPs	56	Compliance & Awareness Programmes, well being Programmes, regulatory updates, safety, ESG, Behavioural and Technical Programmes/ training.	100%
Workers	19		100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulatory /law enforcement agencies/ judicial institutions, in the financial year.

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/fine	-	-	NIL	-	-
Settlement	-	-	NIL	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	NIL	-
Punishment	-	-	NIL	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not applicable	Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The policy is available on the Company's weblink - <https://www.digvijaycement.com/policies/>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held:	7
Topics/principles covered under the training:	- Policies of the Company - Usage of Company's systems & processes for trouble free and ease of operations
%age of value chain partners covered (by value of business done with each partner) under the awareness programmes.	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If Yes, provide details of the same.

Yes, the Company has the Conflict of Interest Policy as well as the code of conduct for the Board and senior management pursuant to Regulation 17(5) (a) of SEBI Listing Regulations; as well as for the employees of the Company and its subsidiaries. Refer to the corporate governance section of the report for more details.

PRINCIPLE 2

Business should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R & D and capital expenditure investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	F. Y 2022-23	F. Y 2021-22	Details of improvement in environmental and social impacts
R & D	-	-	-
Capex	Rs.1.96 Cr	Rs.11.37 Cr	1. Installation of Emission control device for DG Set 2. Replacement of Water pipeline 3. CEMS for stacks 4. Truck Parking Yard 5. Installation of Coal and Limestone Shed



2. a. Does the entity have procedures in place for sustainable sourcing?

Yes

- b. If yes, what percentage of inputs were sourced sustainably?

The Company follow sustainable procurement practices as per its Procurement Policy. Company source materials to optimize distance and time travelled by raw materials and to reduce fuel consumption as well as emissions. Our procurement practices facilitate optimum utilisation of raw materials, recycling of waste and efficient logistics operations, focusing on sustainability.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for:

- a) Plastics (including packaging)
b) E-waste
c) Hazardous waste
d) Other waste

Cement manufacturing process does not generate any by-product/waste as such. The plant is a zero-waste generator. The Company utilises wastes of other industries like steel plants, power plants and other chemical plants as additives in cement manufacture and thus contributes to sustainable development. Company is collecting waste plastic from municipalities and industries to recycle the same in manufacturing process. During the year 2022-23, 10,674 tons of wastes co-processed in kiln.

4. Whether extended producer responsibility is applicable to the entity's activities. If Yes, Whether the waste collection plan is in line with the extended producer responsibility plan submitted to pollution control boards? If not, provide the steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable to our facility and our waste collection plan is in line the EPR submitted to pollution control boards.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Not Applicable

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
---------------------------	-----------------------------------	--------------

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Fly ash		
Gypsum - chemical		
Gypsum - PP mould		
Copper slag	15%	12%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics(including packaging)	Not Applicable					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. A. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. B	% B/A	No. C	% C/A	No. D	% D/A	No. E	% E/A	No. F	% F/A
Permanent Employees											
Male	185	185	100	185	100	-	-	3	100	-	-
Female	5	5	100	5	100	-	-	-	-	-	-
Total	190	190	100	190	100	-	-	3	100	-	-
Other than Permanent employees											
Male	11	-	-	-	-	-	-	-	-	-	-
Female	6	-	-	-	-	-	-	-	-	-	-
Total	17	-	-	-	-	-	-	-	-	-	-

- B. Details of measures for the well-being of workers

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. B	% B/A	No. C	% C/A	No. D	% D/A	No. E	% E/A	No. F	% F/A
Permanent Employees											
Male	51	-	-	51	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	51	-	-	51	100	-	-	-	-	-	-
Other than Permanent employees											
Male	343	-	-	343	100	-	-	-	-	-	-
Female	14	-	-	14	100	-	-	-	-	-	-
Total	357	-	-	357	100	-	-	-	-	-	-



2. Details of retirement benefits for Current FY and Previous Financial Year

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100	100	-	100	100	Yes
Gratuity	100	100	-	100	100	Yes
ESI	NA	NA	NA	NA	NA	NA
Others-Super annuation/NPS	16	-	Yes	18	-	Yes

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Female	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

6. The Company has parental leave applicable as per The Maternity Benefit Act and Rules. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanisms in brief)
Permanent workers	Yes- Any aggrieved worker can record their grievance online in the HRMS self-service to the Unit/ Functional/ Corporate Functional/ HR head in the prescribed format.
Other than permanent workers	
Permanent employees	Yes- Any aggrieved employee can record their grievance online in the HRMS self-service to the Unit/ Functional/ Corporate Functional/HR head in the prescribed format.
Other than permanent employees	

7. Membership of employees and worker in associations or Unions recognised by the listed entity:

Category	FY 2023			FY 2022		
	Total employees/workers in respective category(C)	No. of employees/workers in respective category, who are part of association(s) or Union(D)	% of D/C	Total employees/workers in respective category(C)	No. of employees/workers in respective category, who are part of association(s) or Union(D)	% of D/C
Total Permanent employees	No permanent employees are part of any association or Union.					
1. Male	-	-	-	-	-	-
2. Female	-	-	-	-	-	-
Total Permanent Workers	51	38	75	59	44	75
1. Male	51	38	75	59	44	75
2. Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No.B	%(B/A)	No. C	%(C/A)		No. E	%(E/D)	No.F	%(F/D)
EMPLOYEES										
Male	198	138	70	150	76	205	106	52	141	69
Female	5	5	100	5	100	5	5	100	5	100
Total	203	143	70	155	76	210	111	52	146	69
WORKERS										
Male	51	21	41	26	51	59	17	29	28	47
Female	-	-	-	-	-	-	-	-	-	-
Total	51	21	41	26	51	59	17	29	28	47

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No.(B)	%B/A	Total (C)	No. (D)	%D/C
EMPLOYEES						
Male	185	185	100	195	195	100
Female	05	05	100	05	05	100
Total	190	190	100	200	200	100
WORKERS						
Male	51	51	100	59	59	100
Female	-	-	-	-	-	-
Total	51	51	100	59	59	100

10. Health and safety management system

- a) Whether an occupational health and safety management system has been implemented by the entity. Yes/No? If yes, coverage of such system.

Yes. All locations are certified for Occupational Health and Safety Management System. The management system covers all employees, workers and interested party's health and safety at each certified location. The system includes everything from planning to developing strategies and procedures, as well as monitoring and analysing data and improving it continually. The Company is ISO 45001 Certified.



- b) What are the processes used to identify work-related hazards and assets risks on a routine and non-routine basis by the entity?

Following systems / processes are used

- Tool box talk
- Site safety observation tour by employee
- Work Permit System
- Hazard Identification & Reporting
- Risk Assessment and Mitigation Measures
- Periodic Safety Audits

- c) Whether you have a process for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)?

Yes. The process is available at all the locations. The Processes include direct interaction with controller or safety officer, suggestion box approaching the Safety Committee.

- d) Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Y/N)

Yes. Available in all the locations to the employees through medical insurance and other medical facilities. Annual Health Check-up is also done.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency rate (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Reporting of near miss incident
- Conducting safety observation rounds
- Refresher training of all standards
- Exhibiting highest standards of corporate behaviour towards its employees, consumers and the society in which the company operates.
- Developing, introducing and maintaining systems across the Company to meet the Company's standards, as well as statutory requirements for ensuring Safety and Health of the employees and protection of environment.
- Celebrating Safety Week and conducting various competitions to encourage the people for safe working.
- Eradication of hazards from the system.

13. Number of complaints on the following made by the employees and workers:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Filed during the year	Pending resolution at the end of the year		Filed during the year	Pending resolution at the end of the year	
Working Conditions	-	-		-	-	
Health and Safety	-	-		-	-	

14. Assessments for the year:

Particulars	% of your plants/offices that were assessed (by the entity or statutory authorities or third parties)
Health and Safety Practices	100% by the Company, 85% by third party
Working Conditions	100% by the Company, 85% by third party

15. Provide details of any corrective actions taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

No significant risk/concern was reported on health, safety and working conditions, hence no corrective action taken.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

(A) Employees - Yes (Employee Deposited Linked Insurance, Group Personal Accident policy and Group Term Policy)

(B) Workers - Yes (Employee Deposited Linked Insurance, Group Personal Accident policy and Group Term Policy)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

Company's compliance system and process ensured timely compliance and payment of statutory dues by the value partners. It is also monitored through Internal audit and internal process & control.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No). Yes

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% of our vendors are educated on our various policies and statutory obligation during the vendor induction process and while signing Contracts/ Work Order Agreement.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners: Not Applicable

PRINCIPLE 4

Business should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

We consider individuals, groups, institutions or entities that contribute to shaping our business that add value or constitute a core part of the business value chain as key stakeholders. Our stakeholders are both internal and external and direct as well



as indirect. Our key stakeholders include employees, investors, suppliers and partners, customers, government authorities and the community.

- List stakeholder groups identified as key for the entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement of (Annually/Half yearly/ Quarterly/ others-specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Mails/ Press Releases/ Virtual Meetings	Quarterly, half yearly, Annually, and when needed	Announcing the financial results, annual reports, General meetings, encouraging shareholders to exercise their voting rights in shareholders meeting.
Distributors	No	Emails/ Physical	Need-based	Direct interaction
Customers	No	Physical/digital	Need-based	Direct interaction
Employees	No	Emails/ notices/ SOPs/ Through other communication mechanism	Daily	Follow-up for SOPs and compliances with policies of the company.
Local community	No	Directly or through CSR	Need-based	For CSR activities to satisfy needs of society/ communities
Suppliers	No	Emails / Physical & Virtual meetings	Frequent	Purchase of machines, consumables, packing materials etc.
Contractors	No	Emails / Physical & Virtual meetings	Frequent	Purchasing of raw materials, liaisoning of regarding
Government and Regulatory Authorities	No	Annual report and regulatory filings	Annually / Quarterly / Monthly and as and when required	Good governance practice; community engagement; regulatory compliance; environmental initiatives.

LEADERSHIP INDICATORS

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has constituted following Committees of which Board Members are a part to address stakeholders concerns.

- Audit Committee:** The committee is entrusted with the Business, Economic and Environmental responsibilities of the organization. The Audit Committee supervises the Company's financial reporting and disclosures ensuring timeliness and compliance with regulatory requirements.
- Nomination and Remuneration Committee:** The committee recommends suitable persons for the post of Directors, Key Managerial Personnel and their remuneration. The Board of Directors considers their recommendation and seek the approval of the shareholders for the appointment of Directors. This committee also lays down performance evaluation criteria for Independent Directors based on expertise and value offered and attendance at committee meetings.
- Stakeholders Relationship Committee:** This committee oversees the timely and appropriate resolution of investor grievances. Members of this committee also formulate policies to service this stakeholder group.
- Risk Management Committee:** The committee is responsible for reviewing and evaluating all business risks identified by the Company's management, including those pertaining to the environment. Members of this committee oversee the formulation of the Company's Risk Management Policy and also provide strategic direction to minimize potential risks. They also oversee the establishment, implementation and monitoring of the organization's risk management system.

- v) **CSR Committee:** The Committee is entrusted with the social responsibility obligations of the Company. This committee is responsible for developing and modifying the organization's CSR policy, as well as for identifying the CSR plans, programs and activities to undertake. The monitoring of CSR projects implemented including the financials is in the purview of this committee.
 - vi) **Executive Committee on CSR:** This committee is responsible for assessing, identifying the CSR needs and executing the activities & projects as per CSR Plans. Committee is also responsible for impact assessment.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
- Yes. The stakeholder consultation is used to support the identification and management of environmental and social topics of importance. The formulation of the Company Policies pertaining to Environment and Social have been a result of continuous interactions with the Government Regulatory Authorities, Distributors, Suppliers and the local community.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups. Digvijay Cement always consciously acts as a responsible corporate citizen and engages with the marginalised & vulnerable sections of our society. Our major engagement channels are with communities benefiting from our CSR interventions. We engage with local communities and self-governed bodies frequently through need assessment and other participatory methods to understand their needs and impact of our interventions. In addition, we also engage with our dealer network and other influencers such as masons, construction workers and masons through various attractive loyalty programmes and rewards systems. We have also provided essential support and relief to our vulnerable stakeholders such as communities, masons, needy people etc. Please refer to CSR Report for more details.

PRINCIPLE 5

Business should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total A	No. of employees / workers covered(B)	% (B/A)	Total C	No. of employees/ workers covered(D)	%(D/C)
EMPLOYEES						
1 Permanent	190	138	73	200	111	56
2 Other than Permanent(E)	-	-	-	-	-	-
3 Total Employees(D+E)	190	138	73	200	111	56
WORKERS						
4 Permanent	51	21	41	59	30	51
5 Other than Permanent(G)	357	-	-	380	-	-
6 Total Employees(F+G)	408	21	41	439	30	51

2. Details of minimum wages paid to employees and workers in the following format.

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. B	% (B/A)	No. C	% (C/A)		No. E	% (E/D)	No. F	% (F/D)
EMPLOYEES										
Permanent	190	-	-	190	100	195	-	-	195	100
Male	185	-	-	185	100	190	-	-	190	100
Female	5	-	-	5	100	5	-	-	5	100



Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. B	%(B/A)	No. C	%(C/A)		No. E	%(E/D)	No. F	%(F/D)
Other than Permanent	17	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
WORKERS										
Permanent	51	-	-	51	100	59	-	-	59	100
Male	51	-	-	51	100	59	-	-	59	100
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	357	357	100	-	-	380	380	100	-	-
Male	343	343	100	-	-	351	351	100	-	-
Female	14	14	100	-	-	29	29	100	-	-

3. Details of remuneration/salary/wages, in the following format

	Male		Female	
	Number	Median remuneration /salary/wages of respective category®	Number	Median remuneration / salary/wages of respective category®
Board Of Directors	6	15,50,000	1	-
Key Managerial Personnel*	3	64,41,934	0	0
Employees other than BOD and KMP	181	10,02,048	5	9,54,548
Workers	51	5,57,620	0	0

@ Median remuneration of all the employees of the Company as on 31st March, 2023 is Rs. 8,30,683/- for 241 employees.

*Including CEO & Managing Director. Salary excludes perquisites values arising out of exercise of stock options.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, all our operations are strictly monitored for human rights impacts as per Company's internal risk procedures. The human rights issues and impacts are overseen by the management. We have dedicated committees such as Conduct Committee, Canteen committee, Safety Committee and Internal Complaints Committee, which acts as the focal point on this.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has various policies and mechanism in place which allows stakeholders to report issues on human rights violations. The details are also mentioned in our whistle-blower policy. Senior management team is directly responsible for setting up the mechanism and addressing human rights impact related risk elimination.

6. Number of complaints on the following made by the employees and workers:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Filed during the year	Pending resolution at the end of the year		Filed during the year	Pending resolution at the end of the year	
Sexual Harassment	-	-	-	-	-	-
Discrimination at work-place	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labour/Involuntary labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other than human rights related issues	-	-	-	-	-	-

There were no complaints received by the Company on the above matter during the year 2022-23.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
- All complaints received are maintained anonymous. Investigations are carried thoroughly by Committee on receipt of complaint. It is ensured that all necessary procedures are followed appropriately as per applicable policies.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
- Yes. The Company has defined process and set guidelines while finalizing contract inter alia, to take care of human rights issues. In addition, internal control mechanisms exist to ensure human rights due diligence.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above.

Not applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
- Not Applicable.
2. Details of the scope and coverage of any Human rights due-diligence conducted.
- The Company has internal control mechanisms to ensure human rights due diligence. No third party due diligence conducted for Human Right in the current financial year.
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
- Yes, as per legal requirements.
4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	100% All the vendors who are having business in our business premises are educated on our various policies and statutory obligation.
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above : *Not Applicable*

**PRINCIPLE 6:**

Business should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption in Joules or multiples and energy intensity, in the following format.

Parameter (In Terajoules-TJ)	FY 2022-23 (TJ)	FY 2021-22 (TJ)
Total electricity consumption(A)	372	374
Total fuel consumption(B)	3,379	3,266
Energy consumption through other sources(C)	55	39
Total energy consumption(A+B+C)	3,806	3,679
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees) in million INR	0.53	0.59

2. Does the entity have any sites/facilities identified as designated customers under the performance, Achieve and Trade (PAT) Scheme of the government of India? (Yes/No). If yes, disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – Yes. In previous PAT cycle (Assessment year 2018-19), we over-achieved the targets. (Target 0.1048 TOE/Ton of cement – TOE (Ton of oil equivalent) – Achieved 0.1003 TOE/Ton of cement), leading to issuing of 4370 -Escerts by BEE (Bureau of Energy Efficiency).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source		
1. Surface water	-	-
2. Groundwater	51,570 kl	49,400 kl
3. Third party water	-	-
4. Seawater/desalinated water	-	-
5. Others	-	-
Total volume of water withdrawal	51,570 kl	49,400 kl
Total volume of water consumption	51,570 kl	49,400 kl
Water intensity per rupee of turnover	-	-
Water intensity per tonne of cement (Ltr/ton)	40.40	44.00

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our manufacturing unit has mechanism to become Zero Liquid Discharge. All the water which is withdrawn is used for process requirement which evaporates in the system and residual water is recycled for cooling of equipment, for water sprinkling, for green belt development, etc. No effluent is generated during manufacturing process.

The waste water from domestic use is treated in STP and further used for green belt development.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	ppm	355	383
Sox	ppm	40	46
Particulate matter	gm / t cem	43	50
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others-specify		-	-

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8,37,176	7,94,784
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	29,450	36,967
Total Scope 1 and Scope 2 emissions (Kg/t cem)		680	697

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, We are envisaging sourcing of renewable energy through Hybrid power agreement with supplier which will reduce Scope 2 emissions in negative value. We have also envisaged to install primary shredder to increase alternative fuel consumption and thus reduce Scope 1 emissions.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and Demolition waste (D)	-	-
Battery Waste (E)	-	-
Radioactive waste (F)	-	-
Other hazardous waste. Please specify if any. (G)	-	-
Other non-hazardous waste generated (H). Please specify	-	-
Total (A+B+C+D+E+F+G+H)	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste

1. Recycled	-	-
2. Re-used	-	-
3. Other recovery operations	-	-
Total	-	-

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste

1. Incineration	-	-
2. Landfilling	-	-
3. Other disposal operations	-	-
Total	-	-



9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by the company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Type of waste	Disposal practice
Dust collected from cement plant pollution control equipment	Being totally recycled/re-utilised in the respective circuits to make it as a part of the product of the respective section
Sludge collected from Sewage Treatment Plant	Being used as manure in greenbelt activities
Colony garbage	By Vermi-composting and compost is being used for greenbelt activities as manure, in place of chemical fertilizers.
MS scrap	Being sold to local vendors.
Used Lubricants	Co-processed in Kiln
Used hi-chrome grinding media/Special casting	Disposed through authorized agencies.
E-waste	Disposed through authorized agencies.
Bio-medical waste within premise.	Bio-medical waste from OHC is being regularly collected by pollution control board authorized agent.

10. If the entity has operations/offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Locations of offices /operations	Types of operations	Whether the conditions of environmental approval/clearance are complied with? (Yes/No). If no, reasons thereof and corrective actions taken?
			Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency? (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web-link
Expansion of Cement Plant (1.20 MTPA to 3.00 MTPA) and Clinker Plant (1.10 MTPA to 2.21 MTPA)	EIA Notification, 2006, vide number S.O.1533 (E) and its amendments thereof	Feb-2023	Yes	Yes	-

12. Is the entity compliant with the applicable environmental law/ regulations/guidelines in India: such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection act and rules thereunder (Yes/No)? If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide the details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective actions taken, if any
-	No	NA	NA	NA

LEADERSHIP INDICATORS

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (TJ)	FY 2021-22 (TJ)
From renewable sources		
Total electricity consumption (A)	143	141
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	143	141
From non-renewable sources		
Total electricity consumption (D)	229	233
Total fuel consumption (E)	3,379	3,265
Energy consumption through other sources (F)	55	39
Total energy consumed from non-renewable sources (D+E+F)	3,664	3,538

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iii) To Seawater		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(v) Others		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

- Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area
- Nature of operations



(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source		
1. Surface water	-	-
2. Groundwater	51,570 kl	49,400 kl
3. Third party water	-	-
4. Seawater/desalinated water	-	-
5. Others	-	-
Total volume of water withdrawal (in kilolitres)	51,570 kl	49,400 kl
Total volume of water consumption (in kilolitres)	51,570 kl	49,400 kl
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity per tonne of cement (Ltr/ton)	40.40	44.00
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) Into Groundwater		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iii) Into Seawater		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(v) Others		
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional)–the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency : *Not Applicable*

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Process Optimization of WHR	Process optimization of Waste Heat Recovery System (WHRS) leading to increase in net contribution from WHRS, thus reduction in GRID consumption	WHRS net generation increased to 274.58 lacs kWh in 2022-23 compared to 250.64 lacs kWh in previous year.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
- Yes. We have business continuity and disaster management plan is in place. The plan is targeted to- contain the incident, minimize casualties and prevent further injuries, migratory measures, quick and streamlined relief and rescue operation without unnecessary delay, speed up restoration of normalcy and ensure each member of the emergency operation including response team and employees are aware of their role in emergency. It is critical also to ensure the site's management system is designed to manage these risks. This can be achieved by:
- Increasing awareness and ensuring all workers are aware of the hazards in their workplace.
 - Identifying areas where there is uncertainty about safety.
 - Implementing controls to eliminate risk, or if elimination is not possible, reduce the risk to as low as is reasonably practicable.
 - Monitoring implementation by inspecting & auditing controls to ensure they're working as expected.
- Moreover, with respect to Business continuity, we have adequate mines reserve to continue the business. All our manufacturing units as having Factory Licence and Regulatory Approvals.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:
- Value chain partners have not been assessed for environmental Impacts. This process will be initiated in the coming years.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:
- Value chain partners have not been assessed for environmental Impacts. This process will be initiated in the coming years.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

- Number of affiliations with trade and industry chambers/associations.
6 affiliations.
 - List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to..

S.No.	Name of trade and industry chambers/associations	Reach of trade and industry chambers/associations
1	Cement Manufacturers Association	National
2	Confederation of Indian Industry	National
3	Federation of Indian Mineral Industries	National
4	Jamnagar Chamber of Commerce and Industry	Regional
5	Global Cement & Concrete Association	National

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

**LEADERSHIP INDICATORS**

- Details of public policy positions advocated by the entity:

Digvijay Cement regularly interacts and engages with the Regulators and Government bodies etc. Digvijay Cement understands its responsibilities to operate within the democratic setup and constitutional framework. The Company strives to be a part of various chambers and associations. The Company make recommendations/representations before Government bodies, regulators, legislative bodies, chambers and associations for advancement and improvement of cement business in India. The representatives of the Company, upon invitation, participate and play active role on associations constituted for development and representation of cement industries. The Company ensures constancy of its public communications, disclosures with the Code of Conduct and the principles as outline in the relevant regulatory framework. The Company believes that the policy advocacy must preserve and expand public good and thus shall never advocate any policy change to benefit itself alone or a select few in a partisan manner.

PRINCIPLE 8

Business should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

- Details of Social Impact Assessment of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-NA-					

- Provide information on projects for which ongoing Rehabilitation and Resettlement is being undertaken by your entity in the following format

S.No.	Name of the project for which R&R is ongoing	State	District	No. of Project affected Families	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
-NA-						

- Describe the mechanisms to receive and redress grievances of the community.

As a part of the CSR Policy, the Company proactively meets the community representatives through CSR team interacts with the community at large and address any grievances by planning projects towards the same. The teams have good rapport with all stakeholder like community, district administrator etc and works towards finding the best solution.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	1.10%	1.00%
Sourced directly from within the district and neighbouring districts	We ensure to source all raw materials locally, wherever feasible.	

LEADERSHIP INDICATORS

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
None	Not Applicable

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In Rs.)
1	NIL	NIL	NIL

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No). No.
- (b) From which marginalised /vulnerable groups do you procure? Not Applicable
- (c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
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Not Applicable

6. Details of beneficiaries of CSR :

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Health, Hygiene and Sanitation	14900	The beneficiaries of Company's CSR Programs and projects are from all sections of the society in our area of influence.
2.	Promotion of Education	5545	
3.	Empowerment of Women	1500	
4.	Climate Action – Plantation & Energy	7800	
5.	Social Business & Infrastructure Project	5000	
6.	Providing water supply to nearby 8 villages through pipeline	25,000	
7.	Contribution for other social causes	4650	

PRINCIPLE 9

Business should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company is educating all construction professionals-Masons, Contractors, Engineers-through its awareness programmes/ promotional programs. All the complaints were resolved during the year and no customer complaints were pending at the end of the year.

Customers can register their feedback / queries through various modes like dealers, employees, Company website, Contact Centre. The query is attended to and addressed. It is ensured that all the complaints are closed to the fullest customer satisfaction with a formal complaint closure documentation.

2. Turnover of products and services as a percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The organization has put in place plan of action to incorporate these aspects as a part of labelling/ product information over short to medium term as a part of corporate sustainability strategy
Safe and responsible usage	The organization has put in place plan of action to incorporate these aspects as a part of labelling/ product information over short to medium term as a part of corporate sustainability strategy
Recycling and/or safe disposal	The organization has put in place plan of action to incorporate these aspects as a part of labelling/ product information over short to medium term as a part of corporate sustainability strategy



3. Number of consumer complaints in respect of the following:

	FY 2023		Remarks	FY 2022		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data Privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential services	-	-		-	-	
Restrictive trade practices	-	-		-	-	
Unfair trade practices	-	-		-	-	
Other	-	-		-	-	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide web link of the policy.

Shree Digvijay Cement has internal framework to manage the risks related to cyber security. This will be made a full-fledged policy and made available in the subsequent reporting years.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivering of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/actions taken by regulatory authorities on safety of products/services.

In order to minimize the impact of cyber-attacks on our business, Shree Digvijay Cement has installed firewalls and threat monitoring systems with immediate response capabilities to mitigate identified threats. We also maintain system for the control and reporting of access to our critical IT system, which is subjected to periodical testing of access controls.

LEADERSHIP INDICATORS

- Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
<https://www.digvijaycement.com/>
- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
 - On-site services for raw material testing and product application, through Technical Mobile Van.
 - Site supervision services to educate customers on right construction methodologies and practices.
 - Advise on good construction practices through meets, leaflets, brochures, etc.
 - Training to mason and contractors on good construction practices.
 - Sharing of Third-party test reports (if required) with customers and influencers.
 - Product usage tips released through social media
 - Trainings by technical service department
- Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. We do not fall under Essential Services Maintenance.
- Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. We follow BIS regulations for the product packaging and information to be contained in the product packaging.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No): Yes, we carry out the customer satisfaction survey.
- Provide the following information relating to data breaches:
 - Number of instances of data breaches along-with impact: None. Company has robust data security architecture and reporting mechanism.
 - Percentage of data breaches involving personally identifiable information of customers: None

INDEPENDENT AUDITOR'S REPORT

To the Members of Shree Digvijay Cement Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Shree Digvijay Cement Company Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Revenue recognition

See Note 26 to standalone financial statements

The key audit matter

- Revenue is recognised when the control over the underlying products has been transferred to the customer.
- We consider a risk of misstatement of the Financial Statements related to revenue recognised during the year and as at year end which may include:
 - i. inconsistencies with customer agreements; or
 - ii. overstatement of revenues by recording revenues in the current reporting period which should be recognised in a subsequent year; or
 - iii. risk of recording fictitious revenue to achieve the targets
- Accordingly, revenue recognition during the year and as at year end is considered as a key audit matter.

Basis for Opinion

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

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

How the matter was addressed in our audit

Our audit procedures include:

- Assessing the Company's revenue recognition policy for compliance with Ind AS
- Testing the design, implementation and operating effectiveness of the Company's manual and automated controls around recording of revenue
- Verifying the appropriateness of revenue recognition which included evaluating the Company's transit time assessment and quantification of any sales reversals based on the terms in sales contracts
- Performing testing on selected statistical samples of revenue transactions recorded throughout the year and at the year end and checking delivery documents
- Assessing and testing the adequacy of presentation and disclosures

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

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

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

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other

comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 25 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35(d) to the standalone 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.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35(d) to the standalone 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) 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 (i) and (ii) above, contain any material misstatement.

- e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- f. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration
No.:116231W/W-100024

Place: Ahmedabad
Date: 27 April 2023

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:23045754BGRIIX7403

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Shree Digvijay Cement Company Limited for the year ended 31 March, 2023

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification

is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured advances in the nature of loans to other parties during the year in respect of which the requisite information provided in clause (a). The Company has made investment in its wholly owned subsidiary company which prima facie is not prejudicial to the interest of the Company. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, clause 3(iii)(b) to clause 3(iii)(f) of the Order are not applicable to the Company.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided advances in the nature of loans to any other entity as below:

Particulars	Advances in nature of loans (Rs. in lakhs)
Aggregate amount during the year	81.02
Others (Employees)	
Balance outstanding as at balance sheet date	57.96
Others (Employees)*	

*As per the Companies Act, 2013

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the



Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount demanded (Rs. in lakhs)	Amount under dispute not deposited (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty	499.89	447.91	Financial year 2009-10 to 2010-11	The Customs, Excise and Service Tax Appellate Tribunal
		565.40	563.55	Financial year 2009-10 to 2012-13	Commissioner (Appeals), Rajkot
		32.84	29.85	Financial year 2020-21	Commissioner (Appeals), Ahmedabad
The Finance Act, 1994	Service tax	2,041.70	1,907.59	Financial year 2005-06 to 2015-16	The Customs, Excise and Service Tax Appellate Tribunal
		303.52	292.17	Financial year 2005-06 to 2021-22	Commissioner (Appeals), Rajkot
The Customs Act, 1962	Customs duty	477.69	124.56	Financial year 2011-12 to 2022-23	The Customs, Excise and Service Tax Appellate Tribunal
Sales Tax Act of respective states	Sales Tax	420.46	356.22	Financial year 2009-10 to 2017-18	Joint Commissioner (Appeal)
Octroi tax levied by local bodies	Octroi Tax	33.23	33.23	Financial year 2000-01	Gram Panchayat, Digvijaygram
Mines and Minerals (Development and Regulation) Act, 1957	Surface & Dead Rent	15.95	15.95	Financial year 2006-07 to 2008-09	Mines department, Gandhinagar

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x) (b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act 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. Accordingly, clause 3(xvi)(a) of the Order is not applicable.



- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that the 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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project.

Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration
No.:116231W/W-100024

Jeyur Shah
Partner

Place: Ahmedabad
Date: 27 April 2023

Membership No.: 045754
ICAI UDIN:23045754BGR1IX7403

Annexure B to the Independent Auditor's Report on the standalone financial statements of Shree Digvijay Cement Company Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Shree Digvijay Cement Company Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements

based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to

future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration

No.:116231W/W-100024

Jeyur Shah

Partner

Membership No.: 045754

ICAI UDIN:23045754BGRIIX7403

Place: Ahmedabad

Date: 27 April 2023

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

	Notes	As at March 31, 2023	As at March 31, 2022
(Rs. in lakhs)			
ASSETS			
Non-current assets			
Property, plant and equipment	3	16,964.76	18,425.48
Capital work-in-progress	4(C)	330.68	175.96
Intangible assets	4(A)	1,175.03	1,221.66
Right-of-use asset	4(B)	10.31	32.66
Intangible assets under development	4(C)	391.25	362.21
Financial assets			
i. Investment in subsidiary company	5	6.00	6.00
ii. Other financial assets	6	546.32	1,025.10
Income tax assets (Net)	7	34.64	39.41
Other non-current assets	8	1,616.31	1,748.15
Total non-current assets		21,075.30	23,036.63
Current assets			
Inventories	9	11,543.65	12,668.83
Financial assets			
i. Trade receivables	10	2,165.98	1,336.02
ii. Cash and cash equivalents	11	1,238.89	1,285.29
iii. Bank balances other than (ii) above	12	9,526.92	7,043.92
iv. Loans	13	53.42	36.58
v. Other financial assets	14	357.76	59.61
Other current assets	15	838.87	774.62
Total current assets		25,725.49	23,204.87
Total assets		46,800.79	46,241.50
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	14,520.35	14,402.85
Other equity	17	17,948.67	16,820.51
Total equity		32,469.02	31,223.36
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Lease liabilities	41	-	17.06
Provisions	18	1,181.73	1,518.43
Deferred tax liabilities (net)	19	674.98	1,358.09
Total non-current liabilities		1,856.71	2,893.58
Current liabilities			
Financial liabilities			
i. Lease liabilities	41	2.96	4.26
ii. Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	20	62.14	96.47
b. Total outstanding dues of creditors other than (a) above	20	6,212.85	6,159.39
iii. Other financial liabilities	21	3,559.62	3,510.68
Other current liabilities	22	2,029.98	1,926.00
Provisions	23	476.98	375.95
Income tax liabilities (Net)	24	130.53	51.81
Total current liabilities		12,475.06	12,124.56
Total equity and liabilities		46,800.79	46,241.50
Significant accounting policies	2(A)		
The notes are an integral part of these standalone financial statements		-	-

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V.P. (Legal) & Company

Secretary

Place: Ahmedabad

Date: April 27, 2023

Place: Digvijaygram/Mumbai

Date: April 27, 2023

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

(Rs. in lakhs)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	26	72,487.43	62,934.04
Other income	27	704.39	398.91
Total income		73,191.82	63,332.95
Expenses			
Cost of materials consumed	28	12,953.91	12,156.35
Changes in inventories of finished goods and work-in-progress	29	(491.61)	(986.67)
Employees benefits expenses	30	3,894.57	3,767.07
Finance costs	31	133.67	145.62
Depreciation and amortisation expenses	32	3,525.96	3,140.28
Power and fuel expenses		27,810.50	20,869.64
Freight and handling expenses		10,897.61	9,170.95
Other expenses	33	7,367.06	6,249.25
Total expenses		66,091.67	54,512.49
Profit before tax		7,100.15	8,820.46
Tax expense	7A		
Current tax		2,081.77	3,325.34
Short / (excess) provision for tax of earlier years		(336.83)	7.81
Deferred tax (credit)		(416.09)	(41.78)
Total tax expense		1,328.85	3,291.37
Profit for the year		5,771.30	5,529.09
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations, gain/(loss)	30A	53.43	0.58
Income tax relating to the above	19	(13.45)	(0.15)
Other comprehensive income for the year, net of tax		39.98	0.43
Total comprehensive income for the year		5,811.28	5,529.52
Earnings per equity share (in Rs.)	39		
(Nominal value per share Rs.10)			
Basic earning per Share (In Rs.)		4.00	3.86
Diluted earning per Share (In Rs.)		3.95	3.78
Significant accounting policies	2(A)		
The notes are an integral part of these standalone financial statements			

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V.P. (Legal) & Company

Secretary

Place: Ahmedabad**Date:** April 27, 2023**Place:** Digvijaygram/Mumbai**Date:** April 27, 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	7,100.15	8,820.46
Adjustments for:		
Depreciation and amortisation expenses	3,525.96	3,140.28
Provision for slow/non-moving stores & spares	46.33	37.21
(Gain)/Loss on sale/write-off of property, plant and equipments	(5.39)	14.39
Provision provided/(written back) for doubtful debts and advances	(5.23)	20.04
Interest income	(355.34)	(300.39)
Liability/provision written back to the extent no longer required	(302.45)	-
Unrealized foreign exchange (gain) on operating activities	(3.62)	(56.19)
Compensation expenses under employee stock option scheme (ESOS)	11.03	33.98
Finance costs	133.67	145.62
	10,145.11	11,855.40
Adjustments for:		
Decrease/(increase) in inventories	1,078.85	(5,209.26)
(Increase) in trade receivables	(830.59)	(259.82)
(Increase)/decrease in loans	(16.84)	5.96
(Increase)/decrease in other financial assets	(308.79)	140.72
(Increase)/decrease in other assets	(124.10)	19.59
Increase in trade payables	325.20	1,195.75
Increase in other financial liabilities	96.04	327.41
Increase/(decrease) in other liabilities	103.98	(198.52)
(Decrease)/increase in provisions	(211.28)	242.28
Cash generated from operations	10,257.58	8,119.51
Taxes paid (net of refunds)	(1,661.45)	(2,388.79)
Net cash generated from operating activities	8,596.13	5,730.72
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment and intangible assets	(2,068.69)	(3,546.35)
Proceeds from sale of items of property, plant and equipment	8.67	14.93
Interest received	316.81	308.18
(Investment in)/proceed from term deposit with bank (net)	(1,923.00)	(760.09)
Investment in subsidiary	-	(5.00)
Net cash (used in) investing activities	(3,666.21)	(3,988.33)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(99.75)	(105.76)
Dividend paid	(5,045.10)	(5,723.56)
Proceeds from Issue of Share Capital on Exercise of ESOS	188.00	277.68
Repayment of lease liability including interest portion of Rs. 4.88 lakhs (Rs. 6.85 lakhs of Previous Year)	(19.47)	(46.59)
Net cash (used in) financing activities	(4,976.32)	(5,598.23)
Net (decrease) in cash and cash equivalents (A+B+C)	(46.40)	(3,855.84)
Cash and cash equivalents at the beginning of the year	1,285.29	5,141.13
Cash and cash equivalents at the end of the year	1,238.89	1,285.29

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Reconciliation of cash and cash equivalents as per cash flow statement :		
Cash and cash equivalents comprise:		
Cash on hand	0.66	0.49
Balances with banks - in current accounts	1,238.23	1,284.80
Total	1,238.89	1,285.29

Significant accounting policies [Refer Note 2(A)]

The notes are an integral part of these standalone financial statements

Note:

- The cash flow statement has been prepared under "Indirect Method" specified in Ind AS 7 on "Statement of Cash Flows".
- Reconciliation of movements of cash flows arising from financing activities

	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	-
Cash Flow from financing activities		
Dividend paid	(5,045.10)	(5,723.56)
Proceeds from Issue of Share Capital on Exercise of ESOS	188.00	277.68
Interest paid	(99.75)	(105.76)
Repayment of lease liability	(19.47)	(46.59)
Total cash flow from financing activities	(4,976.32)	(5,598.23)
Finance costs	133.67	145.62
Less : Unwinding of discount on provision	(29.04)	(33.01)
Less : ROU liability (Refer Note 4(B) & 41)	(3.77)	33.53
Add : Movement in lease liability (Refer Note 41)	18.36	6.21
Add : Securities premium on Shares issued under ESOS	(70.50)	(104.13)
Add : Share capital - ESOS	(117.50)	(173.55)
Add: Unpaid dividend	73.21	32.71
Add: Dividend paid	4,971.89	5,690.85
Balance at the end of the year	-	-

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V.P. (Legal) & Company

Secretary

Place: Ahmedabad**Date:** April 27, 2023**Place:** Digvijaygram/Mumbai**Date:** April 27, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Equity Share Capital

(Rs. in lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	16	14,402.85	14,229.30
Changes in Equity Share Capital during the year		117.50	173.55
Balance at the end of the year	16	14,520.35	14,402.85

Other Equity

(Rs. in lakhs)

Particulars	Note	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Share option outstanding	Total Other Equity
As at March 31, 2021	17	8,786.87	35.00	104.61	1,000.00	6,953.34	(124.09)	120.70	16,876.43
Profit for the year		-	-	-	-	5,529.09	-	-	5,529.09
Other comprehensive income		-	-	-	-	-	0.43	-	0.43
Total comprehensive income for the year		-	-	-	-	5,529.09	0.43	-	5,529.52
Contribution by and distribution to owners									
Dividends		-	-	-	-	(5,723.56)	-	-	(5,723.56)
Transfer from retained earnings		-	-	-	1,000.00	(1,000.00)	-	-	-
Employees Stock Options Exercised		-	-	158.40	-	-	-	(54.26)	104.14
Employees Stock Options Scheme (ESOS)		-	-	-	-	-	-	33.98	33.98
Total contribution by and distribution to owners		-	-	158.40	1,000.00	(6,723.56)	-	(20.28)	(5,585.44)
As at March 31, 2022	17	8,786.87	35.00	263.01	2,000.00	5,758.87	(123.66)	100.42	16,820.51
Profit for the year		-	-	-	-	5,771.30	-	-	5,771.30
Other comprehensive income		-	-	-	-	-	39.98	-	39.98
Total comprehensive income for the year		-	-	-	-	5,771.30	39.98	-	5,811.28
Contribution by and distribution to owners									
Dividends		-	-	-	-	(5,045.10)	-	-	(5,045.10)
Transfer from retained earnings		-	-	-	-	-	-	-	-
Deferred tax on ESOS		-	-	-	-	280.46	-	-	280.46
Employees Stock Options Exercised		-	-	106.60	-	-	-	(36.10)	70.50
Employees stock options scheme (ESOS)		-	-	-	-	-	-	11.02	11.02
Total contribution by and distribution to owners		-	-	106.60	-	(4,764.64)	-	(25.08)	(4,683.12)
As at March 31, 2023	17	8,786.87	35.00	369.61	2,000.00	6,765.53	(83.68)	75.34	17,948.67

Significant accounting policies [Refer Note 2(A)]

The notes are an integral part of these standalone financial statements

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

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K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V.P. (Legal) & Company

Secretary

Place: Ahmedabad

Date: April 27, 2023

Place: Digvijaygram/Mumbai

Date: April 27, 2023



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

1 Company Overview

Shree Digvijay Cement Company Limited (the 'Company') is a public limited Company domiciled in India with its registered office address being Digvijaygram, Dist: Jamnagar, Gujarat - 361140. The Company is listed on the Bombay Stock Exchange (BSE) & National stock exchange (NSE). The Company's principal business is manufacturing and selling of cement. The Company has one manufacturing facility at Sikka (via Jamnagar). The Company caters mainly to the domestic market.

2(A) Summary of significant accounting policies

2.01 Basis of preparation

a) Compliance with Indian Accounting Standards (Ind AS)

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for following items:

- i) Employee's Defined Benefit Plan as per actuarial valuation.
- ii) Employee share based payments measured at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

c) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.02 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Managing director (MD) of the Company has been identified as CODM who assesses the financial performance and position of the Company, and makes strategic decisions.

2.03 Foreign Currency Transactions

a) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the standalone statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Non-monetary items that are measured at historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

2.04 Revenue Recognition

Revenue from sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any:

Variable consideration :

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Consideration payable to a customer :

Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Company.

Further, in accordance with Ind AS 37, the Company recognises a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract balances :

Trade receivables that do not contain a significant financing component are measured at transaction price.

Contract liabilities : A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

Significant payment terms :

Generally, the Company provides 21 days credit period for trade type customers and 30 days for non-trade type customers. Further, trade customers are eligible for certain discounts as per basis quantity upliftment by the customer on monthly, quarterly and annual.

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 amortised cost and at the effective interest rate applicable.

2.05 Borrowing costs

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use or sale and borrowing costs are being incurred. Qualifying assets are assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.06 Leases - As a lessee

Ind AS 116 – Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a 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.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

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

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

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in standalone statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.07 Employee benefits

a) Short-term obligations

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

b) Other long-term employee benefit obligations

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits for measurement purpose. The Company's liability is actuarially determined by an independent actuary using the Projected Unit Credit method at the end of each period. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in standalone statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

c) Post employee obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund and superannuation fund

i) Gratuity obligations

The liability recognised in the standalone balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is determined at the year end by independent actuary using the projected unit credit method.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the standalone statement of changes in equity. Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in standalone statement of profit and loss as past service cost.

ii) Defined contribution plans

Provident fund

The Company pays contributions towards provident fund to the regulatory authorities as per local regulations where the Company has no further payment obligations. The contributions are recognised as employee benefit expense when they are due.

Superannuation Fund

Contribution towards superannuation fund for qualifying employees as per the Company's policy is made to Life Insurance Corporation of India where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

2.08 Current and deferred tax

Income tax expense or credit represents the sum of the current tax and deferred tax.

Current and deferred tax is recognised in the Standalone Statement of Profit and Loss except to the extent it relates to items recognised in 'Other comprehensive income' or directly in equity, in which case it is recognised in 'Other comprehensive income' or directly in equity, respectively.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the standalone statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be 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.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the standalone balance sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the standalone balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

2.09 Property, plant and equipment

All items of property, plant and equipment ("PPE") are stated at historical cost less accumulated depreciation less accumulated impairment losses. The cost of property, plant and equipment includes purchase price including import duties, non-refundable taxes and expenditure that is directly attributable to acquisition and installation, cost of dismantling and removing the item and restoring the site on which it is located.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the standalone statement of profit and loss during the reporting period in which they are incurred.

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 Standalone Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as per technical evaluation. Estimated useful lives of the assets thereof are as under:

Assets class	Life of Assets in Years
Buildings	30 - 60
Railway Sidings	21
Plant and Equipment	5 - 21
Electric Installations	5 - 20
Rolling Stocks and Locomotives	18
Furniture and Fixtures	5 - 20
Office Equipments & Computers	3 - 6
Vehicles	5 - 10
Jetty and Wharf	20 - 21

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

2.10 Intangible Assets and Amortisation

Intangible assets with finite useful life are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Amortisation methods and periods

The Company amortises intangible assets with finite useful life using straight line method over the following periods:

Asset class	Life of Assets in Years
Computer Software and Licenses	3 to 6
Asset Retirement Obligation	10 to 16
Mining rights (Land)	Based on extractions of reserve

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

Intangible assets under development is carried at cost, less any recognised impairment loss. Amortisation of these assets commences when the assets are substantially ready for their intended use.

Mines Reclamation provision and related asset

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. The Company recognizes unavoidable obligations, legal or assumed, to restore the mines upon exhaustion of reserves/end of lease period whichever is earlier. These obligations represent the net present value of cash flows expected to be incurred for the restoration process and initially recognized as assets under mining rights (land) which are amortised over its remaining useful life. The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting etc. The increase in liability due to unwinding of discount is recognised in the Standalone Statement of Profit and Loss under finance cost. Subsequent adjustments to the obligation for changes in the estimated cash flows/disbursement period/discount rate are made against fixed assets and depreciation/amortisation is modified prospectively.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

2.11 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials, packing materials and fuels comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour, other direct costs and related production overheads. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Cash and cash equivalents

For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, demand deposits with banks, short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Financial Instruments

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

Financial Assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Standalone Statement of Profit or Loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through statement of profit or loss are expensed in standalone statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in standalone statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in standalone profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through statement of profit and loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through standalone statement of profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through statement of profit or loss is recognised in standalone statement of profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through standalone statement of profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 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 is recognized as an impairment gain or loss in standalone statement of 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 standalone statement of profit and loss.

iv) De-recognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Trade Receivables

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTP L), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial Liabilities

i) Classification

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through statement of profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through statement of profit and loss.

iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of profit and loss.

iv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in standalone statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss.

v) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Offsetting financial instruments

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

2.15 Provisions and contingent liabilities

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of the obligation can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the management's best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

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

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Employee Share based payments:

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

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

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



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

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

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

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44

2.18 Investment in Subsidiaries :

The Company's investment in its subsidiary is carried at cost net of accumulated impairment loss, if any. On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Standalone Statement of Profit and Loss.

2.19 Recent pronouncements

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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

Ind AS 1 Presentation of Financial Statements – Disclosure of Accounting Policies

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The Company does not expect the amendment to have any significant impact in its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

2.20 Rounding of amounts

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

2(B) Critical estimates and judgements

The preparation of standalone financial statements requires the use of accounting estimates. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. The areas involving critical estimates or judgements are:

a) Mines Reclamation Provision and related asset

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs. (Refer note 2(A) 2.10 and 18).

b) Provisions & Contingent Liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. If a loss arising from these litigations and/or claims is probable and can be reasonably estimated, the management record the amount of the estimated loss. If a loss is reasonably possible, but not probable, the management discloses the nature of the significant contingency and, if quantifiable, the possible loss that could result from the resolution of the matter. As additional information becomes available, the management reassess any potential liability related to these litigations and claims and may need to revise the estimates. Such revisions or ultimate resolution of these matters could materially impact the results of operations, cash flows or financial statements of the Company. (Refer Note 23 and 25)

c) Current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses (Refer note 7 and 24).

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which the Company operate. (Refer Note 19).

d) Useful lives of property, plant and equipment and intangibles

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period or even earlier in case, circumstances change such that the recorded value of an asset may not be recoverable. The estimate of useful life requires significant management judgment and requires assumptions that can include: planned use of equipments, future volume trends, revenue and expense growth rates and annual operating plans, and in addition, external factors such as changes in macroeconomic trends which are considered in connection with the Company's long-term strategic planning. (Refer note 2(A) 2.09 and 2(A) 2.10).

e) Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 30A(ii).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023
3 PROPERTY, PLANT AND EQUIPMENT

Sr. No.	Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at March 31, 2023
		Opening as at April 01, 2022	Additions	Disposals	Opening as at April 01, 2022	For the Year	Disposals	
Own Assets								
1	Land Freehold (Refer note 1 below)	850.03	-	-	-	-	-	850.03
2	Building	2,658.18	86.67	18.04	290.85	253.04	17.85	2,200.77
3	Railway Sidings	8.06	-	-	0.58	-	-	7.48
4	Plant and Equipment	27,501.46	1,750.81	293.40	12,801.30	3,000.21	292.85	13,450.21
5	Electric Installations	355.25	-	49.87	279.28	27.10	49.85	48.85
6	Rolling Stocks and Locomotives	1.69	-	-	-	-	-	1.69
7	Furniture, Fixtures and Office Equipments	456.21	65.90	22.37	113.55	77.63	21.51	330.07
8	Vehicles	119.40	12.79	44.41	52.32	13.36	42.75	64.85
9	Jetty and Wharf(Refer note 3 below)	129.08	-	-	116.00	2.27	-	10.81
TOTAL		32,079.36	1,916.17	428.09	13,653.88	3,373.61	424.81	16,964.76
(Rs. in lakhs)								
Sr. No.	Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount As at March 31, 2022
		Opening as at April 01, 2021	Additions	Disposals	Opening as at April 01, 2021	For the Year	Disposals	
Own Assets								
1	Land Freehold (Refer note 1 below)	850.03	-	-	-	-	-	850.03
2	Building	755.13	1,942.75	39.70	181.84	139.88	30.87	2,367.33
3	Railway Sidings	8.06	-	-	0.58	-	-	7.48
4	Plant and Equipment	25,567.49	2,093.96	159.99	10,261.17	2,683.23	143.10	14,700.16
5	Electric Installations	355.36	-	0.11	251.04	28.34	0.10	75.97
6	Rolling Stocks and Locomotives	1.69	-	-	-	-	-	1.69
7	Furniture, Fixtures and Office Equipments	365.97	172.32	82.08	128.98	63.06	78.49	342.66
8	Vehicles	93.47	37.60	11.67	51.19	12.80	11.67	67.08
9	Jetty and Wharf(Refer note 3 below)	129.08	-	-	96.84	19.16	-	13.08
TOTAL		28,126.28	4,246.63	293.55	10,971.64	2,946.47	264.23	18,425.48

Notes:

- The Company has secured the mining rights through e-auction and the Company has received the Letter of Intent for dated 20 January 2023. Application for Terms of Reference is under process.
- The carrying amount of Leasehold Land (in respect of which the Company pays nominal ground rent) at Sikka, Gujarat is Nil. The lease period expires on November 20, 2044 and the Company has an option to renew the same for further period of 99 years.
- The Company has currently valid, subsisting and exclusive priority license with Gujarat Maritime Board ("GMB") for construction, upgradation and use of the Captive Wharf / Jetty at Sikka vide License Agreement dated 20 September 1999 valid till 2024.
- There are no qualifying assets and accordingly no borrowing cost is capitalised during the year.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

4(A) INTANGIBLE ASSETS

Sr. No.	Particulars	Opening as at April 01, 2022	Gross Carrying Amount Additions	Adjustment/ Disposals	Closing as at March 31, 2023	Opening as at April 01, 2022	Accumulated Amortisation For the Year	Adjustment/ Disposals	Closing as at March 31, 2023	(Rs. in lakhs) Net Carrying Amount As at March 31, 2023
Own Assets (Acquired)										
1	Computer Software and Licenses	88.00	23.49	-	111.49	39.54	25.10	-	64.64	46.85
2	Mining right (land) (Refer note below)	1,338.06	63.65	-	1,401.71	164.86	108.67	-	273.53	1,128.18
	TOTAL	1,426.06	87.14	-	1,513.20	204.40	133.77	-	338.17	1,175.03

Sr. No.	Particulars	Opening as at April 01, 2021	Gross Carrying Amount Additions	Adjustment/ Disposals	Closing as at March 31, 2022	Opening as at April 01, 2021	Accumulated Amortisation For the Year	Adjustment/ Disposals	Closing as at March 31, 2022	(Rs. in lakhs) Net Carrying Amount As at March 31, 2022
Own Assets (Acquired)										
1	Computer Software and Licenses	77.30	10.70	-	88.00	4.32	35.22	-	39.54	48.46
2	Mining right (land) (Refer note below)	1,017.26	320.80	-	1,338.06	35.41	129.45	-	164.86	1,173.20
	TOTAL	1,094.56	331.50	-	1,426.06	39.73	164.67	-	204.40	1,221.66

Notes: Mining right (land) includes assets in respect of mines reclamation.

4(B) Right-of-use asset (Lease)

Sr. No.	Particulars	Opening as at April 01, 2022	Gross Carrying Amount Additions	Adjustment/ Disposals	Closing as at March 31, 2023	Opening as at April 01, 2022	Accumulated Amortisation For the Year	Adjustment/ Disposals	Closing as at March 31, 2023	(Rs. in lakhs) Net Carrying Amount As at March 31, 2023
1	Right-of-use asset (Lease)	95.16	-	44.48	50.68	62.50	18.58	40.71	40.37	10.31
	TOTAL	95.16	-	44.48	50.68	62.50	18.58	40.71	40.37	10.31

Sr. No.	Particulars	Opening as at April 01, 2021	Gross Carrying Amount Additions	Adjustment/ Disposals	Closing as at March 31, 2022	Opening as at April 01, 2021	Accumulated Amortisation For the Year	Adjustment/ Disposals	Closing as at March 31, 2022	(Rs. in lakhs) Net Carrying Amount As at March 31, 2022
1	Right-of-use asset (Lease)	85.57	43.28	33.69	95.16	57.29	29.14	23.93	62.50	32.66
	TOTAL	85.57	43.28	33.69	95.16	57.29	29.14	23.93	62.50	32.66

4(C) CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSET UNDER DEVELOPMENT

Sr. No.	Particulars	Opening as at April 01, 2022	Gross Block Additions	Disposals	Closing as at March 31, 2023	Opening as at April 01, 2022	Amortisation For the Year	Disposals	Closing as at March 31, 2023	(Rs. in lakhs) Net Block As at March 31, 2023
1	Capital work-in-progress	175.96	511.73	357.01	330.68	-	-	-	-	330.68
2	Intangible assets under development (Refer Note No. 4(D))	362.21	29.04	-	391.25	-	-	-	-	391.25
	TOTAL	538.17	540.77	357.01	721.93	-	-	-	-	721.93

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Sr. No.	Particulars	Gross Block			Amortisation			(Rs. in lakhs) Net Block As at March 31, 2022
		Opening as at April 01, 2021	Additions	Disposals	Closing as at March 31, 2022	For the Year	Disposals March 31, 2022	
1	Capital work-in-progress	899.05	175.38	898.47	175.96	-	-	175.96
2	Intangible assets under development (Refer Note No. 4(D))	356.65	5.56	-	362.21	-	-	362.21
	TOTAL	1,255.70	180.94	898.47	538.17	-	-	538.17

4(D) INTANGIBLE ASSETS UNDER DEVELOPMENT

The Company has acquired mineral rights of three mines i.e. Debbhar-Bhavneswar, Mokhana and Pachhtardi having total expected Limestone Reserve of 27.49 million tons. Out of which, the Company has got the clearance for Pachhtardi mine. The value of the same mine has been moved to Intangible assets under Mining right (land). However, the Company is yet to obtain environment clearance on remaining mines from Ministry of Environment & Forest, Climate Change. These mines are outside the Eco-Sensitive Zone but Debbhar-Bhavneswar and Mokhana mines major portion fall within 1km restrictions of Barda Wildlife Sanctuary. The Company has made various representation to Ministry of Environment and Forest and State Government. Management is confident of getting positive response from the respective authorities and will be able to get the requisite clearance. Value of such assets is Rs. 351.24 lakhs (as on March 31, 2022 - Rs. 351.24 lakhs).

4(E) Aging Schedule

Particulars	Amount in CWIP/Intangible under development for a period of				(Rs. in lakhs) As at March 31, 2023
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Office building - Mines	16.82	8.05	-	-	24.87
Office building - Plant	13.98	-	-	-	13.98
Plant & Machinery - Cement Division	183.72	-	-	-	183.72
Plant & Machinery - Clinker Division	9.73	-	-	-	9.73
Plant & Machinery - Mines	0.75	-	-	-	0.75
Plant & Machinery - Packing	-	-	-	-	-
Structure Strengthening - Clinker division	-	53.88	-	-	53.88
Structure Strengthening - Cement division	-	41.00	-	-	41.00
Jetty	2.75	-	-	-	2.75
Sub total Capital work-in-progress	227.75	102.93	-	-	330.68
Intangible assets under development					
New Mines under development	6.36	16.49	6.66	351.24	380.75
Computer Software & Licenses	10.50	-	-	-	10.50
Sub total Intangible assets under development	16.86	16.49	6.66	351.24	391.25
Total	244.61	119.42	6.66	351.24	721.93

Particulars	Amount in CWIP/Intangible under development for a period of				(Rs. In Lakhs) As at March 31, 2022
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Office building - Mines	7.16	-	-	-	7.16
Plant & Machinery - Cement Division	17.16	0.58	-	-	17.74
Structure Strengthening - Clinker division	111.90	-	-	-	111.90
Structure Strengthening - Cement division	13.20	-	-	-	13.20
Colony upgradation	25.96	-	-	-	25.96
Sub total Capital work-in-progress	175.38	0.58	-	-	175.96
Intangible assets under development					
New Mines under development	5.57	5.40	-	351.24	362.21
Sub total Intangible assets under development	5.57	5.40	-	351.24	362.21
Total	180.95	5.98	-	351.24	538.17

Note : The projects mentioned above are expected to complete as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. in lakhs)	
5	INVESTMENT IN SUBSIDIARY COMPANY	As at March 31, 2023	As at March 31, 2022
	Equity Instruments (at cost)		
	SDCCL Logistics Limited (Face value of Rs.10 each fully paid 60,000 equity shares)	6.00	6.00
	TOTAL	6.00	6.00
		(Rs. in lakhs)	
6	OTHER FINANCIAL ASSETS (NON-CURRENT)	As at March 31, 2023	As at March 31, 2022
	Demand deposits with bank with maturity period of more than 12 months from reporting date	500.10	995.25
	Security deposits	46.22	29.85
	TOTAL	546.32	1,025.10
		(Rs. in lakhs)	
7	INCOME TAX ASSETS (NON-CURRENT)	As at March 31, 2023	As at March 31, 2022
	Income tax asset (net)	34.64	39.41
	TOTAL	34.64	39.41
		(Rs. in lakhs)	
7A	TAX EXPENSE	As at March 31, 2023	As at March 31, 2022
	Current tax :		
	Current tax on profits for the year	2,081.77	3,325.34
	(Excess) / short provision for tax of earlier years	(336.83)	7.81
	Total current tax expense	1,744.94	3,333.15
	Deferred tax :		
	Decrease in deferred tax assets (net)	(1.75)	288.79
	(Decrease) in deferred tax liabilities	(414.34)	(330.57)
	Total deferred tax (credit)/charge	(416.09)	(41.78)
	Total tax expense	1,328.85	3,291.37
	Effective tax rate	18.72%	37.32%
	Reconciliation of tax expense and accounting profit multiplied by statutory tax rate		
	Profit before tax	7,100.15	8,820.46
	Rate of tax	25.17%	34.94%
	Tax expense at applicable tax rate	1,787.11	3,082.22
	Effect of expenses not deductible in determining taxable profit	42.45	43.02
	Effect of expenses deductible in determining taxable profit including discount on ESOS	(144.17)	-
	Deferred tax on ESOS	(19.73)	-
	(Excess)/Short provision for tax of earlier years	(336.83)	7.81
	Change in Corporate Tax Rate assumption	-	158.32
	Total tax expense/(credit)	1,328.85	3,291.37

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
8	OTHER NON-CURRENT ASSETS	As at March 31, 2023	As at March 31, 2022
	Capital advances	6.32	198.01
	Deposits with government authorities	1,232.17	1,232.10
	Balances with statutory authorities	305.06	305.06
	Pre-paid expenses	72.76	12.98
	TOTAL	1,616.31	1,748.15

		(Rs. in lakhs)	
9	INVENTORIES	As at March 31, 2023	As at March 31, 2022
	Raw materials	979.78	745.83
	Work in progress	4,716.33	4,852.58
	Finished Goods (including goods in transit)	1,020.12	392.26
	Stores and spare parts (net off provision Rs. 419.18 lakhs, March 31, 2022 : Rs.372.86 lakhs)	2,023.05	1,821.37
	Packing materials	327.03	422.90
	Fuels	2,477.34	4,433.89
	TOTAL	11,543.65	12,668.83

		(Rs. in lakhs)	
10	TRADE RECEIVABLES	As at March 31, 2023	As at March 31, 2022
	Considered good - secured	247.32	250.75
	Considered good - unsecured	1,918.66	1,085.27
	Credit impaired	4.49	3.86
	SUB- TOTAL	2,170.47	1,339.88
	Less: Expected Credit Loss	(4.49)	(3.86)
	TOTAL	2,165.98	1,336.02
	Movement in expected credit loss		
	Balance at the beginning of the year	3.86	7.87
	Add: Provided/(reversal) for the year	0.63	(4.01)
	Balance at the end of the year	4.49	3.86

10A Trade Receivable ageing schedule as at March 31, 2023 (Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment						As at March 31, 2023
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	1,677.34	486.65	0.07	0.85	-	1.07	2,165.98
(ii) Credit Impaired	-	0.74	-	0.79	-	2.96	4.49
Total	1,677.34	487.39	0.07	1.64	-	4.03	2,170.47

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****10B Trade Receivable ageing schedule as at March 31, 2022**

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment						As at March 31, 2022
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	1,031.76	303.20	-	-	1.06	-	1,336.02
(ii) Credit Impaired	-	0.11	0.78	-	1.17	1.80	3.86
Total	1,031.76	303.31	0.78	-	2.23	1.80	1,339.88

11 CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Cash and Cash equivalents:		
Cash on hand	0.66	0.49
Bank Balances :		
In Current accounts	1,238.23	1,284.80
TOTAL	1,238.89	1,285.29

12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Deposits with banks (Original maturity more than three months and up to twelve months - Refer note below)	9,453.71	6,996.90
Earmarked balance with bank for unpaid dividend	73.21	47.02
TOTAL	9,526.92	7,043.92

Note: Deposits with banks amounting to nil (March 31, 2022 : Rs.9.39 lakhs) are against bank guarantees.**13 LOANS (CURRENT)**

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Loan to employees	53.42	36.58
TOTAL	53.42	36.58

14 OTHER FINANCIAL ASSETS (CURRENT)

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Interest accrued on security deposits	0.51	0.64
Others (net of provision of Rs.172.22 lakhs, as on March 31, 2022 Rs.178.08 lakhs)	357.25	58.97
TOTAL	357.76	59.61

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
15	OTHER CURRENT ASSETS	As at March 31, 2023	As at March 31, 2022
	(Unsecured, considered good unless otherwise stated)		
	Advance royalty	83.18	90.92
	Pre-paid expense	100.72	277.86
	Pre-paid expense - CSR (Refer Note - 42)	8.07	36.92
	Advances to suppliers :		
	Considered good	646.90	368.92
	Considered doubtful	18.14	26.59
	Less: Provision for doubtful advances	(18.14)	(26.59)
	TOTAL	838.87	774.62
	Movement in allowance for doubtful debts		
	Balance at the beginning of the year	26.59	26.59
	Add: Allowance for the year	-	-
	Less: Provision utilized	(8.45)	-
	Balance at the end of the year	18.14	26.59

		(Rs. in lakhs)	
16	EQUITY SHARE CAPITAL	As at March 31, 2023	As at March 31, 2022
	Authorised		
	25,00,00,000 (March 31, 2022: 25,00,00,000) equity shares of Rs. 10/- each	25,000.00	25,000.00
		25,000.00	25,000.00
	Issued		
	14,54,72,145 (March 31, 2022: 14,42,97,145) equity shares of Rs. 10/- each	14,547.21	14,429.71
	Subscribed and paid-up		
	14,52,03,898 (March 31, 2022: 14,40,28,898) equity shares of Rs. 10/- each fully paid	14,520.39	14,402.89
	Less: 1,120 equity shares of Rs. 10/- each forfeited	(0.11)	(0.11)
	Add: Forfeited shares (amount originally paid-up on equity shares)	0.07	0.07
	TOTAL	14,520.35	14,402.85

a) Reconciliation of the number of shares : Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
Balance at the beginning of the year	14,40,27,778	14,402.85	14,22,92,276	14,229.30
Issue of shares under ESOS -2019	11,75,000	117.50	17,35,502	173.55
Balance at the end of the year	14,52,02,778	14,520.35	14,40,27,778	14,402.85

- b) Rights, preferences and restrictions attached to equity shares The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend.
- c) 265,212 equity shares (March 31, 2022: 265,212) are kept in abeyance out of the Rights Issue entitlement pending settlement of disputes.
- d) 3,035 equity shares (March 31, 2022: 3,035) were issued in past but remain unsubscribed.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

- e) Shares held by holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
True North Fund VI LLP	8,08,25,928	8,082.59	8,08,25,928	8,082.59

- f) Details of shareholder holding more than of 5% of the aggregate shares in the Company including promoter share holding

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
True North Fund VI LLP	8,08,25,928	55.66%	8,08,25,928	56.12%
TOTAL	8,08,25,928	55.66%	8,08,25,928	56.12%

- g) There are no shares bought back or allotted either as fully paid up by way of bonus shares or allotted under any contract without payment received in cash during 5 years immediately preceding March 31, 2023.
- h) During the year ended March 31, 2023, the Company has allotted 11,75,000 (March 31, 2022 : 17,35,502) equity shares of Rs.10/- each to the option grantees upon exercise of Option under the Company's Employees Stock Option Scheme - 2019. Pursuant to this allotment, the paid up equity share capital of the Company has increased from 14,40,27,778 equity shares of Rs.10/- each to 14,52,02,778 equity shares of Rs.10/- each.

17 OTHER EQUITY	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Capital reserve	8,786.87	8,786.87
Capital redemption reserve	35.00	35.00
Securities premium	369.61	263.01
Share option outstanding (Refer note 30 & 44)	75.34	100.42
General Reserve	2,000.00	2,000.00
Surplus in statement of profit and loss		
Balance as at the beginning of the year	5,635.21	6,829.25
Add : Profit for the year	5,771.30	5,529.09
Add : Deferred tax on ESOS	280.46	-
Add : Other comprehensive income/(loss)	39.98	0.43
Less: Transfer to general reserve	-	(1,000.00)
Less: Dividends	(5,045.10)	(5,723.56)
Balance as at the end of the year	6,681.85	5,635.21
TOTAL	17,948.67	16,820.51

Notes :

- Capital Reserve** : The Company had issued 6% non-cumulative compulsorily convertible preference shares to its then parent company. Subsequently, the preference shareholders relinquished their right and resultant gain was recorded in the capital reserve in the year of 2010. It also includes subsidies received from State Government in the year 2002-03.
- Capital Redemption Reserve** : This was created on redemption of 14% redeemable cumulative preference shares in year 1996-97.
- Securities Premium** : Securities premium is used to record the excess of the amount received over the face value of the shares. This can be utilised in accordance with the provision of the Companies Act, 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

- 4) **Shares Options Outstanding** : The Company has share option schemes under which options to subscribe for the Company's shares have been granted to specific employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to certain class of employee as part of their remuneration. Refer to Note 44 for further details of these plans.
- 5) **General Reserve**: The Company has transferred a portion of its net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.
- 6) **Surplus in statement of profit and loss** represent surplus/accumulated earnings of the Company and are available for distribution to shareholders.

7) **Analysis of Accumulated OCI :** (Rs. in lakhs)

Particulars	As at March 31, 2023	"As at March 31, 2022
Balance at the beginning of the year	(123.66)	(124.09)
Remeasurements of post employment benefit obligations, gain/(loss)	53.43	0.58
Income tax effect	(13.45)	(0.15)
Balance at the end of the year	(83.68)	(123.66)

- 8) The Board has recommended a final dividend of Rs. 2.50/- (i.e. 25%) per equity share (March 31, 2022 Rs. 2/- per equity share) of Rs. 10/- each on 14,52,02,778 fully paid Equity Shares for the year ended March 31, 2023 (March 31, 2022 14,40,27,778 fully paid equity shares), aggregating to Rs. 3,630.07 lakhs (March 31, 2022 - Rs. 2,880.56 lakhs). This will be in addition to the interim dividend of Rs.1.5/- (i.e. 15%) per equity shares of Rs. 10/- each already paid during the year.

18 PROVISIONS - NON-CURRENT		(Rs. in lakhs)	
		As at March 31, 2023	As at March 31, 2022
Provision for mines reclamation		549.32	636.47
Provision for employee benefits (Refer note 30A):			
Provision for gratuity		280.50	420.97
Provision for compensated absences		351.91	460.99
TOTAL		1,181.73	1,518.43
Movement in provision for mines reclamation			
Balance at the beginning of the year		636.47	426.84
Add: Unwinding of interest on provision		29.04	33.01
Add : Effect of addition/changes in estimates		-	201.66
Less : Utilised during the year		(116.19)	(25.04)
Balance at the end of the year		549.32	636.47

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. in lakhs)	
19	DEFERRED TAX LIABILITIES (NET)	As at March 31, 2023	As at March 31, 2022
	Deferred tax liabilities (Net)	(674.98)	(1,358.09)
	TOTAL	(674.98)	(1,358.09)
	The balance comprises temporary differences attributable to:		
	Deferred Tax Liabilities		
	Depreciation/ Amortisation on property, plant and equipment and intangible assets	1,482.15	1,889.82
	Deferred tax on ROU asset created under Ind AS 116	19.53	26.20
	Less : Deferred Tax Assets		
	Allowance for doubtful debts	49.04	52.49
	Provision for slow moving/obsolete inventory	105.51	93.85
	Items allowed on payment/utilisation basis	221.49	277.91
	Disallowances for items to be allowed in subsequent years	80.55	34.88
	Provision for mines reclamation assets	48.37	70.31
	Deferred Tax on ESOS	300.19	-
	Deferred tax on lease liability created under Ind AS116	21.55	28.49
	Deferred tax Liabilities (net) [Refer note below]	(674.98)	(1,358.09)

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to same governing taxation laws.

							(Rs. in lakhs)
19A	MOVEMENT IN DEFERRED TAX ASSETS/LIABILITIES	As at April 01, 2022	Utilisation	Recognise through Profit and Loss	Recognise through Equity	Recognise through OCI	As at March 31, 2023
	Deferred tax liabilities						
	Depreciation/amortisation on property, plant and equipment and intangible assets	(1,889.82)	-	407.67	-	-	(1,482.15)
	Deferred tax on ROU asset created under Ind AS 116	(26.20)	-	6.67	-	-	(19.53)
	Total deferred tax (liabilities)	(1,916.02)	-	414.34	-	-	(1,501.68)
	Less : Deferred tax assets						
	Allowance for doubtful debts	52.49	-	(3.45)	-	-	49.04
	Provision for slow moving/obsolete inventory	93.85	-	11.66	-	-	105.51
	Items allowed on payment/utilisation basis	277.91	-	(42.98)	-	(13.45)	221.49
	Disallowances for items to be allowed in subsequent years	34.88	-	45.67	-	-	80.55
	Provision for mines reclamation assets	70.31	-	(21.94)	-	-	48.37
	Deferred tax on ESOS	-	-	19.73	280.46	-	300.19
	Deferred tax on lease liability created under Ind AS116	28.49	-	(6.94)	-	-	21.55
	Total deferred tax assets	557.93	-	1.75	280.46	(13.45)	826.70
	Deferred tax liabilities (net)	(1,358.09)	-	416.09	280.46	(13.45)	(674.98)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

							(Rs. in lakhs)
19B	MOVEMENT IN DEFERRED TAX ASSETS/LIABILITIES	As at April 01, 2021	Utilisation	Recognise through Profit and Loss	Recognise through Equity	Recognise through OCI	As at March 31, 2022
	Deferred tax liabilities						
	Depreciation/amortisation on property, plant and equipment and intangible assets	(2,216.69)	-	326.87	-	-	(1,889.82)
	Deferred tax on ROU asset created under Ind AS 116	(29.90)	-	3.70	-	-	(26.20)
	Total deferred tax (liabilities)	(2,246.59)	-	330.57	-	-	(1,916.02)
	Less : Deferred tax assets						
	Allowance for doubtful debts	65.87	-	(13.38)	-	-	52.49
	Provision for slow moving/obsolete inventory	117.29	-	(23.44)	-	-	93.85
	Items allowed on payment/ utilisation basis	387.72	-	(109.66)	-	(0.15)	277.91
	Disallowances for items to be allowed in subsequent years	148.36	-	(113.48)	-	-	34.88
	Provision for mines reclamation assets	94.83	-	(24.52)	-	-	70.31
	Deferred tax on ESOS	-	-	-	-	-	-
	Deferred tax on lease liability created under Ind AS116	32.80	-	(4.31)	-	-	28.49
	Unused tax credits (MAT credit entitlement)	1,043.31	(1,043.31)	-	-	-	-
	Total deferred tax assets	1,890.18	(1,043.31)	(288.79)	-	(0.15)	557.93
	Deferred tax assets/liabilities (net)	(356.41)	(1,043.31)	41.78	-	(0.15)	(1,358.09)

For current year, the Company has calculated its tax liability for current taxes as per concessional tax regime.

			(Rs. in lakhs)
20	TRADE PAYABLES	As at March 31, 2023	As at March 31, 2022
	a) Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	62.14	96.47
	b) Total outstanding dues of creditors other than (a) above	6,212.85	6,159.39
	TOTAL	6,274.99	6,255.86

							(Rs. in lakhs)
20A	Trade Payable ageing schedule as at March 31, 2023						
Particulars	Outstanding for following period from due date of payment						As at March 31, 2023
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	62.14	-	-	-	-	62.14
(ii) Others	2,983.25	2,890.21	143.05	109.91	28.42	58.02	6,212.85
Total	2,983.25	2,952.35	143.05	109.91	28.42	58.02	6,274.99

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****20B Trade Payable ageing schedule as at March 31, 2022**

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment						As at March 31, 2022
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	91.82	4.65	-	-	-	96.47
(ii) Others	2,948.24	2,886.41	205.90	19.80	16.85	82.19	6,159.39
Total	2,948.24	2,978.23	210.55	19.80	16.85	82.19	6,255.86

21 OTHER FINANCIAL LIABILITIES (CURRENT)

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Security deposits from customers	1,194.42	1,227.71
Rebate and discount to customers	963.10	822.89
Security deposits from vendors	161.08	222.77
Payable to creditors related to property, plant and equipments	510.38	583.67
Employee benefits payable	655.97	601.56
Unpaid Dividends	73.21	47.02
Others	1.46	5.06
TOTAL	3,559.62	3,510.68

22 OTHER CURRENT LIABILITIES

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Advances from customers	720.08	645.45
Statutory dues (including provident fund and tax deducted at source)	1,309.52	1,280.14
Others	0.38	0.41
TOTAL	2,029.98	1,926.00

23 PROVISIONS (CURRENT)

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Provision for litigations and disputes (Refer note below)	308.40	275.55
Provision for employee benefits (Refer note 30A):		
Provision for compensated absences	168.58	100.40
TOTAL	476.98	375.95

Note : Provision of Rs.248.66 lakhs (as at March 31, 2022 : Rs. 248.66 lakhs) for arrears of rent claimed by Mumbai Port Trust with respect to plot of land C-2 and C3 at Sewri Estate Mumbai towards the proceeding filed by Mumbai Port Trust (MPT) against the Company. The Company is contesting the said order before the High Court.

24 INCOME TAX LIABILITY (NET)

(Rs. in lakhs)

	As at March 31, 2023	As at March 31, 2022
Income tax liability (Net)	130.53	51.81
TOTAL	130.53	51.81

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
25	CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS	As at March 31, 2023	As at March 31, 2022
a)	Claim against the Company not acknowledged as debts Demand contested by the Company		
	- Sales tax	396.14	396.14
	- Excise duty	1,065.29	1,251.97
	- Service tax	2,345.22	2,069.15
	- Custom duty	477.69	451.55
	- Labour cases	65.50	77.50
	- Other cases	909.02	909.02
	TOTAL	5,258.86	5,155.33
b)	A sum of Rs. 309.84 lakhs (March 31, 2022: Rs. 309.84 lakhs) on account of arrears, rent, service charges, way leave fees of certain leasehold property, consequent to the Order of the Estate Officer of Mumbai Port Trust (MPT) dated February 28, 2007, has not been provided for as the said property was assigned in an earlier year to M/s Dinbandhu Estate Pvt. Ltd. (the Assignee). The assignment was subject to the approval of MPT which was to be arranged by the Assignee. The Company is contesting the said Order before the High Court.		
c)	In respect of retrospective revision (August 2012 to January 2018) of electricity duty the Company has received a demand of Rs. 1,472 lakhs from Paschim Gujarat Vij Company Limited. The Company has filed a writ petition with the High Court. Management believes that the probability of the above matter converting into a liability for the Company is remote basis various precedents and applicable laws. As per the direction received from High Court, the Company has deposited Rs. 500 lakhs as fixed deposit with the High Court in July 2018.		
d)	It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.		
e)	Competition Commissioner of India has visited the office on 22nd and 23rd of Dec, 2022 for the purpose of conducting "Search" to find out certain information concerning the Competition Commission. Since, the Company have not indulged in any concerning Competition Commission which is in violation of Competition Law and have not committed any breach of Competition Laws, management do not apprehend any material impact on the financial statements of the Company.		
f)	The Company has entered into a Power Purchase Agreement with Trinethra Renewable Energy Pvt. Ltd. (Power Producer) dated 6th April, 2022 for purchase of Wind and Solar (Hybrid) power with schedule commencement date of 6th January, 2023. The Company has recognised income of Rs. 314.81 lakhs, a compensation equivalent to the loss of benefits for the Period from 06/01/2023 to 31/03/2023 as per Power Purchase Agreement.		
g)	Capital commitments : Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 486.56 lakhs (March 31, 2022: Rs. 276.48 lakhs).		

		(Rs. in lakhs)	
26	REVENUE FROM OPERATIONS	Year ended March 31, 2023	Year ended March 31, 2022
	Sale of product (Refer note 40)	72,234.88	62,494.87
	Other Operating Revenue		
	Scrap sales	174.19	356.12
	Miscellaneous income	78.36	83.05
	TOTAL	72,487.43	62,934.04

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. in lakhs)	
27	OTHER INCOME	Year ended March 31, 2023	Year ended March 31, 2022
	Interest income (Refer note below)	355.34	300.39
	Profit on sale of property, plant and equipments (net)	5.39	-
	Net gain on foreign currency transactions and translations	3.62	56.19
	Liability/provision written back to the extent no longer required	302.45	-
	Provision for Doubtful Debt written back (net) (Refer note 10 and 14)	5.23	-
	Insurance claim	-	0.66
	Miscellaneous income	32.36	41.67
	TOTAL	704.39	398.91

Note : Interest income on deposits are calculated based on effective interest method which is measured at amortised cost.

		(Rs. in lakhs)	
28	COST OF MATERIAL CONSUMED	Year ended March 31, 2023	Year ended March 31, 2022
	Raw material consumed		
	Opening inventory	745.83	513.14
	Add: Purchases and incidental expenses (including cost of extraction and transporting lime stone Rs. 5,974.44 lakhs, March 31, 2022 Rs.6,298.25 lakhs)	10,645.93	10,160.67
	Less: Closing inventory	979.78	745.83
	Cost of raw material consumed during the year	10,411.98	9,927.98
	Packing material consumed		
	Opening inventory	422.90	231.20
	Add: Purchases and incidental expenses	2,446.06	2,420.07
	Less: Closing inventory	327.03	422.90
	Cost of packing material consumed during the year	2,541.93	2,228.37
	TOTAL	12,953.91	12,156.35

		(Rs. in lakhs)	
29	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS	Year ended March 31, 2023	Year ended March 31, 2022
	(Increase) in stocks		
	Stock at the end of the year		
	Work in progress	4,716.33	4,852.58
	Finished goods	1,020.12	392.26
	TOTAL A	5,736.45	5,244.84
	Less: Stock at the beginning of the year		
	Work in progress	4,852.58	3,859.07
	Finished goods	392.26	399.10
	TOTAL B	5,244.84	4,258.17
	(Increase) in stocks (B-A)	(491.61)	(986.67)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
30	EMPLOYEE BENEFITS EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Salaries, wages and bonus	3,445.34	3,354.81
	Contribution to provident and other funds:		
	Provident fund [Refer note no. 30A(i)]	176.20	175.93
	Superannuation fund [Refer note no. 30A(i)]	25.55	28.19
	Gratuity [Refer note no. 30A(ii)]	91.85	86.72
	Expenses on Employees Stock Options Scheme (Refer note 17 & 44)	11.03	33.98
	Staff welfare expenses	144.60	87.44
	TOTAL	3,894.57	3,767.07

30A EMPLOYEE BENEFIT OBLIGATIONS:

i) Defined-contribution plans

The Company makes contribution to provident fund under the provision of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and to superannuation fund for the qualifying employees as per the Company's policy.

		(Rs. in lakhs)	
Amount recognised in Standalone Statement of Profit and Loss		Year ended March 31, 2023	Year ended March 31, 2022
	Provident fund	176.20	175.93
	Superannuation fund	25.55	28.19

ii) Defined-benefits plans

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, as per the Company's policy. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death. The gratuity payable to employees is based on the employee's tenure of service and last drawn salary at the time of leaving the services of the Company. The gratuity plan is a funded plan and is administrated through a trust namely Shree Digvijay Cement Co. Ltd. Employee Gratuity Fund.

		(Rs. in lakhs)	
Amount recognised in Standalone Statement of Profit and Loss		Year ended March 31, 2023	Year ended March 31, 2022
Particulars			
	Current service cost	65.76	62.12
	Past service cost	-	-
	Interest on defined benefit obligation/(asset) (net)	26.09	24.60
	Total amount recognised in Standalone Statement of Profit and Loss	91.85	86.72

		(Rs. in lakhs)	
Amount recognised in other comprehensive income:		Year ended March 31, 2023	Year ended March 31, 2022
Particulars			
Remeasurement during the period due to:			
	(Gain)/loss from change in financial assumptions	(26.45)	2.33
	(Gain)/loss from change in demographic assumptions	(24.28)	11.25
	Experience (gains)/losses	12.51	(16.39)
	Actuarial (gains)/losses on plan assets	(15.21)	2.23
	Total amount recognised in Other Comprehensive Income	(53.43)	(0.58)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation : [Gratuity - Funded Plan]		
Balance at the beginning of the year	1,175.80	1,161.90
Current service cost	65.76	62.12
Past service cost	-	-
Interest on defined benefit obligation	71.97	68.47
Remeasurement due to:		
(Gain)/loss from change in financial assumptions	(26.45)	2.33
(Gain)/loss from change in demographic assumptions	(24.28)	11.25
Experience (gains)/losses	12.51	(16.39)
Benefit paid	(196.57)	(113.88)
Balance at the end of the year	1,078.74	1,175.80
Fair value of plan assets:		
Balance at the beginning of the year	754.83	737.07
Contributions by employer	178.89	90.00
Interest income	45.88	43.87
Benefits paid	(196.57)	(113.88)
Actuarial (gains)/losses on plan assets	15.21	(2.23)
Balance at the close of the year	798.24	754.83

Assets and Liabilities recognised in the Standalone Balance Sheet:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	1,078.74	1,175.80
Fair value of plan assets	(798.24)	(754.83)
Deficit of funded plan	280.50	420.97
Non-current (Note 18)	280.50	420.97
Current	-	-

Major Category of Plan Assets as a % of total Plan Assets:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Government of India securities	23%	25%
Corporate bonds	6%	6%
Insurance managed fund	69%	68%
Others	2%	1%
	100%	100%

Actuarial Assumptions:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	6.80%
Salary growth rate	8.50%	8.50%

The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

Mortality:

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions by 50 basis Point is:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions by 0.5%		Decrease in assumptions by 0.5%	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate (%)	-1.95%	-2.30%	2.03%	2.41%
Change due to Discount rate (Rs. In lakhs)	(21.04)	(27.04)	21.90	28.34
Salary growth rate (%)	2.00%	2.36%	-1.94%	-2.27%
Change due to Salary growth rate (Rs. In lakhs)	21.57	27.75	(20.93)	(26.69)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which has been used for calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected Contribution to the Fund in the next year:

(Rs. in lakhs)

Particulars	Amount
Gratuity	150.00

iii) Risk Exposure

The Gratuity scheme is Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The risks commonly affecting the defined benefit plan are expected to be:

Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation.

Interest-Rate Risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

iv) Defined Benefit Liability and Employer Contributions

The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

The weighted average duration of the defined benefit obligation is 3.98 years (March 31, 2022 - 4.70 years). The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity (undiscounted)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1st following year	343.75	235.16
2nd following year	159.68	234.01
3rd following year	170.25	150.76
4th following year	154.44	159.98
5th following year	120.48	177.40
Sum of 6th to 10th following year	588.73	762.20

v) **Other long term employee benefits :**

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current (Note 18)	351.91	460.99
Current (Note 23)	168.58	100.40
TOTAL	520.49	561.39

Note: The above classification is based on actuary's report.

Actuarial Assumptions :

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	6.80%
Salary growth rate	8.50%	8.50%

The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

Leave Availment Pattern:

Based on the data provided to us on the pattern of availment of leave by employees of the Group in the past, it has been assumed that 1.75% (2.5% in Previous Year) for Prevacation Leave & 5.00% (2.5% in Previous Year) for Sick leave of leave balance as at the valuation date and each subsequent year following the valuation date is availed by the employee. The balance leave is assumed to be available for encashment on separation from the Group.

31 FINANCE COSTS

(Rs. in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on short term borrowings	25.10	6.82
Interest on income tax	0.01	13.49
Interest to others	31.74	31.27
Unwinding of discount on provision	29.04	33.01
Unwinding of discount on lease liability	4.88	6.85
Other finance cost	42.90	54.18
TOTAL	133.67	145.62

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
32	DEPRECIATION AND AMORTISATION EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Depreciation on property, plant and equipment [Refer note 3]	3,373.61	2,946.47
	Amortisation on intangible assets [Refer note 4(A)]	133.77	164.67
	Amortisation on Right-of-use asset (Lease) [Refer note 4(B)]	18.58	29.14
	TOTAL	3,525.96	3,140.28

		(Rs. in lakhs)	
33	OTHER EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Consumption of stores and spare parts	1,629.11	1,546.75
	Repairs to building	258.58	265.66
	Repairs to machinery	1,319.96	1,237.34
	Sales commission	1,263.19	944.44
	Advertisement and publicity expenses	530.57	295.93
	Insurance	205.68	198.93
	Rent (including lease rent) (Refer note 41)	152.55	123.87
	Rates and taxes	35.24	1.86
	Printing, stationery and communications expenses	52.26	38.69
	Travelling expenses	253.71	149.20
	Legal and professional fees	483.45	443.56
	Contractual manpower charges	121.47	120.74
	Equipment hire charges	421.44	293.73
	Provision for doubtful debts and advances (net) (Refer note 10 and 14)	-	20.04
	Loss on sale / write-off of property, plant and equipments (net)	-	14.39
	Provision for slow / non-moving stores and spares	46.33	37.21
	Directors sitting fees	25.50	30.00
	Directors commission	15.00	15.00
	Donation	5.14	1.00
	Expenditure towards corporate social responsibility (CSR) activities (Refer Note 42)	165.14	108.62
	Payment to auditors		
	As auditor:		
	Audit fees (Including limited review and consolidation)	26.61	22.10
	Tax audit fees	1.50	1.50
	Certification	0.50	0.50
	Reimbursement of expenses	0.10	0.10
	Miscellaneous expenses	354.03	338.09
	TOTAL	7,367.06	6,249.25

34 SEGMENT INFORMATION

Operating segment

The Company's chief operating decision maker (CODM) has identified one business segment viz. Manufacturing and Sales of Cement and its only production facility is located in India. There are no other reportable segment.

Geographical segment

The Company operates in two principal geographical areas of the world, its home country (Domestic) and other countries (Overseas).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

34a	Particulars	(Rs. in lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations and other operating revenue		
	Domestic	72,302.44	62,934.04
	Overseas	184.99	-
	Total	72,487.43	62,934.04

34b The Company does not hold any non-current assets in foreign countries. There are no individual customers or a particular group contributing to more than 10% of revenue.

35 RELATED PARTY DISCLOSURES:**35a Names of the related parties and nature of relationship:****i) Where control exists**

Holding Entity :

True North Fund VI LLP

Wholly Owned Subsidiary Company :

SDCCL Logistics Limited

ii) Key Management Personnel

Mr. Anil Singhvi (Executive Chairman)

Mr. K. K. Rajeev Nambiar (CEO and Managing Director)

Mr. Pramod Kabra (Director)

Mr. Mahesh Gupta (Independent Director)

Ms. Mini Menon (Independent Director)

Mr. Satish Kulkarni (Independent Director)

iii) Trust

Shree Digvijay Cement Co. Ltd. Employees' Gratuity Fund

35b	Details of Transactions with related Parties: Nature of Transactions	(Rs. in lakhs)			
		Holding Entity	Subsidiary Company	Other Related Parties	Total
	Investment in subsidiary	-	-	-	-
		(-)	(5.00)	(-)	(5.00)
	Other expenses	-	-	-	-
		(-)	(1.23)	(-)	(1.23)
	Reimbursement of expenses	-	36.03	-	36.03
		(5.49)	(-)	(-)	(5.49)
	Dividend Paid	2,828.91	-	73.72	2,902.63
		(3,233.04)	(-)	(74.44)	(3,307.48)
	Contribution made to Trust	-	-	178.89	178.89
		(-)	(-)	(90.00)	(90.00)
	Balance at the end of Financial Year (Other than Equity)	-	6.00	-	6.00
		(-)	(6.00)	(-)	(6.00)

Figures in bracket are relates to the previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

35c Compensation of key managerial personnel :

Related Parties	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits to CEO and managing director & Chairman	808.30	1,003.61
Commission to independent directors	15.00	15.00
Directors' sitting fees to independent directors	25.50	30.00
Total	848.80	1,048.61

Key Management Personnel Compensation

Provision for gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

- 35d** 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

36 FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

There are no financial assets/liabilities that are measured at fair value through statement of profit and loss or other comprehensive income. The following financial assets/liabilities are measured at amortised cost:

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Other non-current financial assets	546.32	1,025.10
Trade receivables	2,165.98	1,336.02
Cash and cash equivalents	1,238.89	1,285.29
Other bank balances	9,526.92	7,043.92
Loans (current)	53.42	36.58
Other current financial assets	357.76	59.61
Total Financial Assets	13,889.29	10,786.52
Financial Liabilities		
Trade payables	6,274.99	6,255.86
Other financial liabilities	3,562.58	3,532.00
Total Financial Liabilities	9,837.57	9,787.86

Note : Investments in subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:-

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of term deposits and interest there on, trade receivables, cash and cash equivalents, other financial assets, borrowings, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short-term nature.

37 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The market risk to the Company is foreign exchange risk and interest rate. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

37A CREDIT RISK

Credit risk comprises of direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It mainly arises from trade receivables, cash and cash equivalents (excluding cash on hand) and bank deposits.

(i) Credit risk management

a) Trade receivables

The carrying amount of trade receivables represent the maximum credit exposure net of provision for impairment. The maximum exposure to credit risk was Rs. 2,165.98 lakhs as of March 31, 2023 (March 31, 2022 - Rs. 1336.02 lakhs).

Trade receivables are derived from revenue earned from customers. Credit risk for trade receivable is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business. Further, there are customers covered either by security deposits or bank guarantee. The Company's credit period generally ranges from 0-30 days.

As per simplified approach, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Company's customers' financial condition; aging of trade accounts receivable, the extent of credit insurance coverage; the value and adequacy of collateral received from the customers in certain circumstances; the Company's historical loss experience; and changes in credit risk and capital availability of the Company's customers resulting from economic conditions. The Company defines default as an event when there is no reasonable expectation of recovery.

Expected credit loss for trade receivables as at March 31, 2023

(Rs. in lakhs)

Ageing	0-120 days	> 120 days	Total
Gross carrying amount	2,161.21	9.26	2,170.47
Expected loss rate	0%	48%	0.21%
Expected credit losses (Loss allowance provision)	-	4.49	4.49
Carrying amount of trade receivables (net of impairment)	2,161.21	4.77	2,165.98

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Expected credit loss for trade receivables as at March 31, 2022			(Rs. in lakhs)
Ageing	0-120 days	> 120 days	Total
Gross carrying amount	1,333.59	6.29	1,339.88
Expected loss rate	0%	61%	0.29%
Expected credit losses (Loss allowance provision)	-	3.86	3.86
Carrying amount of trade receivables (net of impairment)	1,333.59	2.43	1,336.02

b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalents and bank deposits is generally low as the said deposits have been made with banks having good reputation, good past track record and high quality credit rating and the Company also reviews their credit-worthiness on an on-going basis.

37B LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is managed by Company's Liquidity and Financial Indebtedness Management Policy, which aims to ensure the availability of sufficient net funds to meet the Company's financial commitments with minimal additional cost. One of the main liquidity monitoring measurement instruments is the cash flow projection, using a minimum projection period of 12 months from the benchmark date.

(i) Financing arrangements

The Company has undrawn borrowing facilities of Rs. 8,800.23 lakhs as at March 31, 2023 (Rs. 9,180.58 lakhs as at March 31, 2022). Undrawn credit facilities comprises of fund based and non-fund based.

(ii) Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on the contractually agreed undiscounted cash flows as at the Balance Sheet date.

			(Rs. in lakhs)
CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	Less than 1 Year	Above 1 Year	Total
March 31, 2023			
Trade payables	6,274.99	-	6,274.99
Other financial liabilities	3,562.58	-	3,562.58
Total Liabilities	9,837.57	-	9,837.57

			(Rs. in lakhs)
CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	Less than 1 Year	Above 1 Year	Total
March 31, 2022			
Trade payables	6,255.86	-	6,255.86
Other financial liabilities	3,514.94	17.06	3,532.00
Total Liabilities	9,770.80	17.06	9,787.86

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****38 CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure of the Company, Management can make, or may propose to the stockholders when their approval is required, adjustments to the amount of dividends paid to stockholders, return capital to stockholders, issue new shares or sell assets to reduce, for example, debt.

The Company considers total equity reported in the standalone financial statements to be managed as part of capital.

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Total Debt	-	-
Less : Cash and cash equivalents	1,238.89	1,285.29
Adjusted net debt	(1,238.89)	(1,285.29)
Equity share capital	14,520.35	14,402.85
Other equity	17,948.67	16,820.51
Total equity	32,469.02	31,223.36
Adjusted net debt to equity ratio	-	-

39 EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax (Rs. in lakhs)	5,771.30	5,529.09
Weighted average number of shares outstanding for basic EPS	14,43,87,573	14,32,56,468
Add: Potential Equity Shares on exercise of options	18,71,794	29,83,424
Weighted average number of shares outstanding for diluted EPS	14,62,59,367	14,62,39,892
Nominal value per share (In Rs.)	10.00	10.00
Basic earning per share (In Rs.)	4.00	3.86
Diluted earning per share (In Rs.)	3.95	3.78

40 Reconciliation of the amount of revenue recognised in the standalone statement of profit and loss with the contracted price:

Particulars	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per contracted price	74,592.94	64,303.72
Adjustments :		
Rebates & Discounts	2,358.06	1,808.85
Revenue from contract with customers	72,234.88	62,494.87

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Disaggregation of revenue

The management determines that there is only one business segment viz. Manufacturing and Sales of Cement as per the segment information reported under Note 34 Segment reporting, hence there is no requirement to disclose disaggregation of revenue under Ind AS 115 Revenue from contract with Customers separately.

Significant payment terms

Generally, the Company provides 21 days credit period for trade type customers and 30 days for non-trade type customers. Further, trade customers are eligible for certain discounts as per basis quantity upliftment by the customer on monthly, quarterly and annual.

41 LEASES

As a lessee:

As a lessee, the Company entered in to leases agreement for many assets including property, production equipment and IT equipment. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases. These lease arrangements range for a period between 11 months and 20 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Lease payments recognised in the Consolidated Statement of Profit and Loss during the year	152.55	123.87

	(Rs. in lakhs)	
Lease Liabilities on account of adoption of Ind AS 116	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	21.32	27.65
Add: Addition during the year (net)	-	30.88
Less: Deletion during the year (net)	(3.77)	-
Finance costs incurred during the year	4.88	6.85
Payments of Lease liabilities	(19.47)	(44.06)
Balance at the end of the year	2.96	21.32
Non-Current	-	17.06
Current	2.96	4.26

42 EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY

	(Rs. in lakhs)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance	36.92	47.80
Gross amount required to be spent by the Company during the year	165.14	108.62
Net Amount to be spent by the Company during year	128.22	60.82
Amount spent during the year on:		
i) Construction / acquisition of asset	106.23	20.19
ii) On purposes other than (i) above	30.06	77.55
Total amount spent	136.29	97.74
Closing Balance (Refer Note below)	8.07	36.92

Note: Excess amount spent under CSR have been disclosed in Note-15 as pre-paid expenses.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****42A Manner in which amount has been spent during the financial year is detailed below:**

		(Rs. in lakhs)	
CSR Project / Activities	Sector	Year ended March 31, 2023	Year ended March 31, 2022
Company took various measures in Second waves of COVID-19 as preventive health care and sanitation. Providing medical facilities and distribution of medical instruments to local health centers. Organized various medical camps / health check-ups, medication and health awareness program on flus, COVID-19 etc.	Health, Hygiene and Sanitation	15.30	1.61
Disaster management, Distribution of Food Packets & Masks, sanitizer in local area to prevent spread of second waves of the COVID-19.	Contribution for social cause	39.35	3.68
Improvement in quality of, education which includes special education, skill development and employment generating vocational skills among children, women, elderly.	Promotion of Education	42.28	72.27
Development of infrastructure and safety & security system, sports facilities & renovation of School.	Social Business Project and Welfare activities	36.89	20.18
Organized Skill Development Activity for women by distributing sewing machines, conducting tailoring classes, Cooking Classes etc. Other activities for promoting gender equality and empowering women including contribution to orphanage for women education.	Empowerment of Women	2.46	-
	Total	136.29	97.74

43 DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 as below:

		(Rs. in lakhs)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end		62.14	96.47
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end		-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest due and payable towards suppliers registered under MSMED Act, for payment already made.		-	-
Further interest remaining due and payable for earlier years		-	-

There is no principal and interest overdue to Micro and Small enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has relied upon by the auditors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

44 SHARE BASED PAYMENTS (Ind AS 102)

- (A) The Company has granted 70,60,000 options during the FY 2019-20 to its eligible employee including 1 MD & CEO and 5 business heads under ESOS, details are as under:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Vesting plan	20%	30%	30%	20%
No. of Options (Refer Note 44(D))	1,412,000	2,118,000	2,118,000	1,412,000
Vesting period	1 Year	2 Years	3 Years	4 Years
Exercise period	5 Years	5 Years	5 Years	5 Years
Time to expiration (Years)	6 Years	7 Years	8 Years	9 Years
Grant Date	August 05, 2019	August 05, 2019	August 05, 2019	August 05, 2019
Exercise Date	August 04, 2025	August 04, 2026	August 04, 2027	August 04, 2028
Exercise price (Rs. per share)	16.00	16.00	16.00	16.00
Fair Value per Stock Option (Rs. per share)	3.17	3.11	3.03	2.94
Share price as on grant date (Rs. per share)	14.74	14.74	14.74	14.74

Note : Options would be vested based on Company's and individual performance and time as per Grant Letter

(B) Fair Valuation

Share options were granted during the year March 31, 2020 70,60,000 shares with vesting plan of 20%, 30%, 30% and 20% basis each year. Weighted average fair value of the options granted during the year March 31, 2020 is Rs. 3.06 per share.

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

(C) The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant August 05, 2019 :

Risk Free Rate	6.39%
Expected annual volatility	40.62%
Dividend Yield	Nil

(D) Movement of Options Granted :	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	3,966,500	6,022,002
Granted during the year	-	-
Vested during the year	1,917,000	1,863,750
Exercised during the year	1,175,000	1,735,502
options expired (due to resignation & retirement)	173,000	320,000
Outstanding at the end of the year	2,618,500	3,966,500
Options exercisable at the end of the year	1,364,250	622,250

(E) Expenses recognised in profit or loss :

For details of the related employee benefits expense, see note 30.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****45 Ratio Analysis:**

Particulars	Parameters for calculation	Year Ended March 31, 2023	Year Ended March 31, 2022	% of variance
Liquidity Ratio				
Current Ratio (times)	Current Assets/Current Liabilities	2.06	1.91	7.5%
Profitability ratio				
Net Profit Ratio (%)	PAT/Total Income	8%	9%	-0.8%
Return on Equity Ratio (%)	PAT/Avg. share holder's fund	18.1%	17.7%	0.4%
Return on Capital employed (%)	EBIT/Avg. Capital employed	21.1%	26.8%	-5.7%
Return on Investment (%)	Income generated from invested funds/avg. invested funds	5.5%	4.5%	1.0%
Utilization Ratio				
Trade Receivables turnover ratio (times)	Total Income/Avg. Receivables	41.8	52.6	-20.5%
Inventory turnover ratio (times)	Total Income/Avg. Inventory	6.0	6.3	-3.7%
Trade payables turnover ratio (times)	Net Purchases/Avg. trade payables	9.6	8.8	9.5%
Net capital turnover ratio (times)	Total Income/Avg. Working capital	6.0	5.6	7.5%

The Notes are integral part of standalone financial statements.

In terms of our report of even date.

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V.P. (Legal) & Company

Secretary

Place: Digvijaygram

Date: April 27, 2023

Place: Digvijaygram/Mumbai

Date: April 27, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Shree Digvijay Cement Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Shree Digvijay Cement Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Revenue recognition

See Note 25 to consolidated financial statements

The key audit matter

- Revenue is recognised when the control over the underlying products has been transferred to the customer.
- We consider a risk of misstatement of the Financial Statements related to revenue recognised during the year and as at year end which may include:
 - i. inconsistencies with customer agreements; or
 - ii. overstatement of revenues by recording revenues in the current reporting period which should be recognised in a subsequent year; or
 - iii. risk of recording fictitious revenue to achieve the targets
- Accordingly, revenue recognition during the year and as at year end is considered as a key audit matter.

Basis for Opinion

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

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

How the matter was addressed in our audit

Our audit procedures include:

- Assessing and testing the adequacy of presentation and disclosures
- Assessing the Holding Company's revenue recognition policy for compliance with Ind AS
- Testing the design, implementation and operating effectiveness of the Holding Company's manual and automated controls around recording of revenue
- Verifying the appropriateness of revenue recognition which included evaluating the Company's transit time assessment and quantification of any sales reversals based on the terms in sales contracts
- Performing testing on selected statistical samples of revenue transactions recorded throughout the year and at the year end and checking delivery documents
- Assessing and testing the adequacy of presentation and disclosures

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

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

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies

included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis

of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 24 to the consolidated financial statements.



- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2023.
- d. (i) The management of the Holding Company and its subsidiary company incorporated in India represented that, to the best of its knowledge and belief, as disclosed in the Note 34(d) to the consolidated 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 Holding Company or its subsidiary 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 Holding Company or its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Holding Company and its subsidiary company incorporated in India represented that, to the best of its knowledge and belief, as disclosed in the Note 34(d) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) 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 (i) and (ii) above, contain any material misstatement.
- (iv) The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. Subsidiary Company incorporated in India has not declared nor paid any dividend during the year.
- e. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or its subsidiary company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration
No.:116231W/W-100024

Jeyur Shah
Partner

Place: Ahmedabad
Date: 27 April 2023

Membership No.: 045754
ICAI UDIN:23045754BGRIJA5617

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Shree Digvijay Cement Company Limited for the year ended 31 March 2023

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

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by its auditor in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	SDCCL Logistics Limited	U63000GJ2020PLC115066	Subsidiary	3(xvii)

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration

No.:116231W/W-100024

Jeyur Shah

Partner

Membership No.: 045754

ICAI UDIN:23045754BGRIJA5617

Place: Ahmedabad

Date: 27 April 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Shree Digvijay Cement Company Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of Shree Digvijay Cement Company Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company's considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration
No.:116231W/W-100024

Jeyur Shah
Partner

Place: Ahmedabad
Date: 27 April 2023

Membership No.: 045754
ICAI UDIN:23045754BGRIJA5617

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

	Notes	As at March 31, 2023	As at March 31, 2022
(Rs. in lakhs)			
ASSETS			
Non-current assets			
Property, plant and equipment	3	16,964.76	18,425.48
Capital work-in-progress	4(C)	330.68	175.96
Intangible assets	4(A)	1,175.03	1,221.66
Right-of-use asset (Lease)	4(B)	10.31	32.66
Intangible assets under development	4(C)	391.25	362.21
Financial assets			
i. Other financial assets	5	546.32	1,025.10
Income tax assets (Net)	6	35.97	39.41
Other non-current assets	7	1,616.31	1,748.15
Total non-current assets		21,070.63	23,030.63
Current assets			
Inventories	8	11,543.65	12,668.83
Financial assets			
i. Trade receivables	9	2,165.98	1,336.02
ii. Cash and cash equivalents	10	1,274.20	1,287.93
iii. Bank balances other than (ii) above	11	9,526.92	7,043.92
iv. Loans	12	53.42	36.58
v. Other financial assets	13	357.76	59.61
Other current assets	14	841.60	774.93
Total current assets		25,763.53	23,207.82
Total assets		46,834.16	46,238.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	14,520.35	14,402.85
Other equity	16	17,980.77	16,815.87
Total equity		32,501.12	31,218.72
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Lease liabilities	40	-	17.06
Provisions	17	1,181.73	1,518.43
Deferred tax liabilities (net)	18	674.98	1,358.09
Total non-current liabilities		1,856.71	2,893.58
Current liabilities			
Financial liabilities			
i. Lease liabilities	40	2.96	4.26
ii. Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	19	62.14	96.47
b. Total outstanding dues of creditors other than (a) above	19	6,213.98	6,160.89
iii. Other financial liabilities	20	3,559.62	3,510.68
Other current liabilities	21	2,030.12	1,926.09
Provisions	22	476.98	375.95
Income tax liabilities (Net)	23	130.53	51.81
Total current liabilities		12,476.33	12,126.15
Total equity and liabilities		46,834.16	46,238.45
Significant accounting policies	2(A)		
The notes are an integral part of these consolidated Financial Statements			

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V. P. (Legal) & Company

Secretary

Place: Ahmedabad

Date: April 27, 2023

Place: Digvijaygram / Mumbai

Date: April 27, 2023

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
(Rs. in lakhs)			
Revenue from operations	25	72,673.66	62,934.04
Other income	26	704.39	398.91
Total income		73,378.05	63,332.95
Expenses			
Cost of materials consumed	27	12,953.91	12,156.35
Changes in inventories of finished goods and work-in-progress	28	(491.61)	(986.67)
Employees benefits expenses	29	3,894.57	3,767.07
Finance costs	30	133.67	145.62
Depreciation and amortisation expenses	31	3,525.96	3,140.28
Power and fuel expenses		27,810.50	20,869.64
Freight and handling expenses		11,032.32	9,170.95
Other expenses	32	7,371.04	6,250.71
Total expenses		66,230.36	54,513.95
Profit before tax		7,147.69	8,819.00
Tax expense	6A		
Current tax		2,092.57	3,325.34
Short / (excess) provision for tax of earlier years		(336.83)	7.81
Deferred tax (credit)		(416.09)	(41.78)
Total tax expense		1,339.65	3,291.37
Profit for the year		5,808.04	5,527.63
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations, gain/(loss)	29A	53.43	0.58
Income tax relating to above	18	(13.45)	(0.15)
Other comprehensive income for the year, net of tax		39.98	0.43
Total comprehensive income for the year		5,848.02	5,528.06
Profit / (Loss) for the period attributable to :			
a.) Owners of the Company		5,808.04	5,527.63
b.) Non-Controlling Interest		-	-
Other Comprehensive income/(loss) for the period attributable to :			
a.) Owners of the Company		39.98	0.43
b.) Non-Controlling Interest		-	-
Total Comprehensive income/(loss) for the period attributable to :			
a.) Owners of the Company		5,848.02	5,528.06
b.) Non-Controlling Interest		-	-
Earnings per equity share (in Rs.)	38		
(Nominal value per share Rs.10)			
Basic earning per Share (In Rs.)		4.02	3.86
Diluted earning per Share (In Rs.)		3.97	3.78
Significant accounting policies	2(A)		
The notes are an integral part of these consolidated Financial Statements			

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V. P. (Legal) & Company

Secretary

Place: Ahmedabad**Date:** April 27, 2023**Place:** Digvijaygram / Mumbai**Date:** April 27, 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	7,147.69	8,819.00
Adjustments for:		
Depreciation and amortisation expenses	3,525.96	3,140.28
Provision for slow/non-moving stores & spares	46.33	37.21
(Gain)/Loss on sale/write-off of property, plant and equipments	(5.39)	14.39
Provision provided/(written back) for doubtful debts and advances	(5.23)	20.04
Interest income	(355.34)	(300.39)
Liability/provision written back to the extent no longer required	(302.45)	-
Unrealized foreign exchange (gain) on operating activities	(3.62)	(56.19)
Compensation expenses under employee stock option scheme (ESOS)	11.03	33.98
Finance costs	133.67	145.62
	10,192.65	11,853.94
Adjustments for:		
Decrease/(increase) in inventories	1,078.85	(5,209.26)
(Increase) in trade receivables	(830.59)	(259.82)
(Increase)/decrease in loans	(16.84)	5.96
(Increase)/decrease in other financial assets	(308.79)	140.72
(Increase)/decrease in other assets	(126.52)	19.28
Increase in trade payables	324.83	1,194.09
Increase in other financial liabilities	96.04	327.41
Increase/(decrease) in other liabilities	104.03	(198.45)
(Decrease)/increase in provisions	(211.28)	242.28
Cash generated from operations	10,302.38	8,116.15
Taxes paid (net of refunds)	(1,673.58)	(2,388.79)
Net cash generated from operating activities	8,628.80	5,727.36
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment and intangible assets	(2,068.69)	(3,546.35)
Proceeds from sale of items of property, plant and equipment	8.67	14.93
Interest received	316.81	308.18
(Investment in)/proceed from term deposit with bank (net)	(1,923.00)	(760.09)
Net cash (used in) investing activities	(3,666.21)	(3,983.33)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(99.75)	(105.76)
Dividend paid	(5,045.10)	(5,723.56)
Proceeds from Issue of Share Capital on Exercise of ESOS	188.00	277.68
Repayment of lease liability including interest portion of Rs.4.88 lakhs (Rs.6.85 lakhs of Previous Year)	(19.47)	(46.59)
Net cash (used in) financing activities	(4,976.32)	(5,598.23)
Net (decrease) in cash and cash equivalents (A+B+C)	(13.73)	(3,854.20)
Cash and cash equivalents at the beginning of the year	1,287.93	5,142.13
Cash and cash equivalents at the end of the year	1,274.20	1,287.93

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Reconciliation of cash and cash equivalents as per cash flow statement :		
Cash and cash equivalents comprise:		
Cash on hand	0.66	0.49
Balances with banks - in current accounts	1,273.54	1,287.44
Total	1,274.20	1,287.93

Significant accounting policies [Refer Note 2(A)]

The notes are an integral part of these consolidated financial statements**Note:**

- The cash flow statement has been prepared under "Indirect Method" specified in Ind AS 7 on "Statement of Cash Flows".
- Reconciliation of movements of cash flows arising from financing activities.

	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	-
Cash Flow from financing activities		
Dividend paid	(5,045.10)	(5,723.56)
Proceeds from Issue of Share Capital on Exercise of ESOS	188.00	277.68
Interest paid	(99.75)	(105.76)
Repayment of lease liability	(19.47)	(46.59)
Total cash flow from financing activities	(4,976.32)	(5,598.23)
Finance costs	133.67	145.62
Less : Unwinding of discount on provision	(29.04)	(33.01)
Less : ROU liability (Refer Note Sr. No. &)	(3.77)	33.53
Add : Movement in lease liability (Refer Note)	18.36	6.21
Add : Securities premium on Shares issued under ESOS	(70.50)	(104.13)
Add : Share capital - ESOS	(117.50)	(173.55)
Add : Unpaid dividend	73.21	47.02
Add : Dividend paid	4,971.89	5,676.54
Balance at the end of the year	-	-

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V. P. (Legal) & Company

Secretary

Place: Ahmedabad**Date:** April 27, 2023**Place:** Digvijaygram / Mumbai**Date:** April 27, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Equity Share Capital

(Rs. in lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	15	14,402.85	14,229.30
Changes in Equity Share Capital during the year		117.50	173.55
Balance at the end of the year	15	14,520.35	14,402.85

Other Equity

(Rs. in lakhs)

Particulars	Note	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Share option outstanding	Total Other Equity
As at March 31, 2021	16	8,786.87	35.00	104.61	1,000.00	6,950.16	(124.09)	120.70	16,873.25
Profit for the year		-	-	-	-	5,527.63	-	-	5,527.63
Other comprehensive income		-	-	-	-	-	0.43	-	0.43
Total comprehensive income for the year		-	-	-	-	5,527.63	0.43	-	5,528.06
Contribution by and distribution to owners									
Dividends		-	-	-	-	(5,723.56)	-	-	(5,723.56)
Transfer from retained earnings		-	-	-	1,000.00	(1,000.00)	-	-	-
Employees Stock Options Exercised		-	-	158.40	-	-	-	(54.26)	104.14
Employees stock options scheme (ESOS)		-	-	-	-	-	-	33.98	33.98
Total contribution by and distribution to owners		-	-	158.40	1,000.00	(6,723.56)	-	(20.28)	(5,585.44)
As at March 31, 2022	16	8,786.87	35.00	263.01	2,000.00	5,754.23	(123.66)	100.42	16,815.87
Profit for the year		-	-	-	-	5,808.04	-	-	5,808.04
Other comprehensive income		-	-	-	-	-	39.98	-	39.98
Total comprehensive income for the year		-	-	-	-	5,808.04	39.98	-	5,848.02
Contribution by and distribution to owners									
Dividends		-	-	-	-	(5,045.10)	-	-	(5,045.10)
Transfer from retained earnings		-	-	-	-	-	-	-	-
Deferred tax on ESOS		-	-	-	-	280.46	-	-	280.46
Employees Stock Options Exercised		-	-	106.60	-	-	-	(36.10)	70.50
Employees stock options scheme (ESOS)		-	-	-	-	-	-	11.02	11.02
Total contribution by and distribution to owners		-	-	106.60	-	(4,764.64)	-	(25.08)	(4,683.12)
As at March 31, 2023	16	8,786.87	35.00	369.61	2,000.00	6,797.63	(83.68)	75.34	17,980.77

Significant accounting policies [Refer Note 2(A)]

The notes are an integral part of these consolidated financial statements

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V. P. (Legal) & Company

Secretary

Place: Ahmedabad

Date: April 27, 2023

Place: Digvijaygram / Mumbai

Date: April 27, 2023



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

1 Company Overview

Shree Digvijay Cement Company Ltd (the 'Company') is a public limited Company domiciled in India with its registered office address being Digvijaygram, Dist: Jamnagar, Gujarat - 361140. The Company is listed on the Bombay Stock Exchange (BSE) & National stock exchange (NSE). The Company's principal business is manufacturing and selling of cement. The Company has one manufacturing facility at Sikka (via Jamnagar). The Company caters mainly to the domestic market. Shree Digvijay Cement Company Limited (the "Company") and its subsidiary collectively referred to as the "Group"

2(A) Summary of significant accounting policies

2.01 Basis of preparation

a) Compliance with Indian Accounting Standards (Ind AS)

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for following items:

- i) Employee's Defined Benefit Plan as per actuarial valuation.
- ii) Employee share based payments measured at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group 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.

c) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.02 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief executive officer (CEO) and Managing director (MD) of the Group has been identified as CODM who assesses the financial performance and position of the Group, and makes strategic decisions.

2.03 Foreign Currency Transactions

a) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Non-monetary items that are measured at historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

2.04 Revenue Recognition

Revenue from sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Group considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Consideration payable to a customer :

Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Group.

Further, in accordance with Ind AS 37, the Group recognises a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract balances:

Trade receivables : All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTP L), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Contract liabilities : A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

Significant payment terms:

Generally, the Group provides 21 days credit period for trade type customers and 30 days for non-trade type customers. Further, trade customers are eligible for certain discounts as per basis quantity upliftment by the customer on monthly, quarterly and annual.

Interest income:

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

2.05 Borrowing costs

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use or sale and borrowing costs are being incurred. Qualifying assets are assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

2.06 Leases - As a lessee

Ind AS 116 – Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a 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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

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

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

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.07 Employee benefits

a) Short-term obligations

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

b) Other long-term employee benefit obligations

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits for measurement purpose. The Group's liability is actuarially determined by an independent actuary using the Projected Unit Credit method at the end of each period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in consolidated statement of profit and loss.

c) **Post employee obligations**

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund and superannuation fund

i) **Gratuity obligations**

The liability recognised in the consolidated balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is determined at the year end by independent actuary using the projected unit credit method.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity. Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in consolidated statement of profit and loss as past service cost.

ii) **Defined contribution plans**

Provident fund

The Group pays contributions towards provident fund to the regulatory authorities as per local regulations where the Group has no further payment obligations. The contributions are recognised as employee benefit expense when they are due.

Superannuation Fund

Contribution towards superannuation fund for qualifying employees as per the Group's policy is made to Life Insurance Corporation of India where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

2.08 **Current and deferred tax**

Income tax expense or credit represents the sum of the current tax and deferred tax.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items recognised in 'Other comprehensive income' or directly in equity, in which case it is recognised in 'Other comprehensive income' or directly in equity, respectively.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated Statement of profit and loss because some items of income or expense are taxable or deductible in different years or



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

may never be taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the consolidated balance sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Consolidated Balance sheet, if and only when, (a) the Group currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

2.09 Property, plant and equipment

All items of property, plant and equipment ("PPE") are stated at historical cost less accumulated depreciation less accumulated impairment losses. The cost of property, plant and equipment includes purchase price including import duties, non-refundable taxes and expenditure that is directly attributable to acquisition and installation, cost of dismantling and removing the item and restoring the site on which it is located.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

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 consolidated statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as per technical evaluation. Estimated useful lives of the assets thereof are as under:

Assets class	Life of Assets in Years
Buildings	30 - 60
Railway Sidings	21
Plant and Equipment	5 - 21
Electric Installations	5 - 20
Rolling Stocks and Locomotives	18
Furniture and Fixtures	5 - 20
Office Equipments & Computers	3 - 6
Vehicles	5 - 10
Jetty and Wharf	20 - 21

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

2.10 Intangible Assets and Amortisation

Intangible assets with finite useful life are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Amortisation methods and periods

The Group amortises intangible assets with finite useful life using straight line method over the following periods:

Asset class	Life of Assets in Years
Computer Software and Licenses	3 to 6
Asset Retirement Obligation	10 to 16
Mining rights (Land)	Based on extractions of reserve

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

Intangible assets under development is carried at cost, less any recognised impairment loss. Amortisation of these assets commences when the assets are substantially ready for their intended use.

Mines Reclamation provision and related asset

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. The Group recognizes unavoidable obligations, legal or assumed, to restore the mines upon exhaustion of reserves/end of lease period whichever is earlier. These obligations represent the net present value of cash flows expected to be incurred for the restoration process and initially recognized as assets under mining rights (land) which are amortised over its remaining useful life. The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting etc. The increase in liability due to unwinding of discount is recognised in the Consolidated Statement of Profit and Loss under finance cost. Subsequent adjustments to the obligation for changes in the estimated cash flows/disbursement period/discount rate are made against fixed assets and depreciation/amortisation is modified prospectively.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

2.11 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials, packing materials and fuels comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour, other direct costs and related production overheads. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Financial Instruments

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

Financial Assets

i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in consolidated statement of profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through statement of profit or loss are expensed in consolidated statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in consolidated statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in consolidated profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through statement of profit and loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through statement of profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through statement of profit or loss is recognised in consolidated statement of profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 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 is recognized as an impairment gain or loss in consolidated statement of profit and loss.

For trade receivables only, the Group 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 Group 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 consolidated statement of profit and loss.

iv) De-recognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Trade Receivables

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTP L), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial Liabilities**i) Classification**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through statement of profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through statement of profit and loss.

iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

iv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss.

v) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Offsetting financial instruments

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

2.15 Provisions and contingent liabilities

Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of the obligation can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the management's best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Employee Share based payments:

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

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

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share Option Outstanding.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

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

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

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43

2.18 Recent pronouncements

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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

Ind AS 1 Presentation of Financial Statements – Disclosure of Accounting Policies

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The Company does not expect the amendment to have any significant impact in its financial statements.

2.19 Rounding of amounts

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

2(B) Critical estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. The areas involving critical estimates or judgements are:

a) Mines Reclamation Provisions and related asset

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs. (Refer note 2(A) 2.10 and 17).

b) Provisions & Contingent Liabilities

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. If a loss arising from these litigations and/or claims is probable and can be reasonably estimated, the management record the amount of the estimated loss. If a loss is reasonably possible, but not probable, the management discloses the nature of the significant contingency and, if quantifiable, the possible loss that could result from the resolution of the matter. As additional information becomes available, the management reassess any potential liability related to these litigations and claims and may need to revise the estimates. Such revisions or ultimate resolution of these matters could materially impact the results of operations, consolidated cash flows or consolidated financial statements of the Group. (Refer Note 22 and 24)

c) Current tax expense and deferred tax

The calculation of the Group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses (Refer note 6 and 23).

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which the Group operate. (Refer Note 18).

d) Useful lives of property, plant and equipment and intangibles

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period or even earlier in case, circumstances change such that the recorded value of an asset may not be recoverable. The estimate of useful life requires significant management judgement and requires assumptions that can include: planned use of equipments, future volume trends, revenue and expense growth rates and annual operating plans, and in addition, external factors such as changes in macroeconomic trends which are considered in connection with the Group's long-term strategic planning. (Refer note 2(A) 2.09 and 2(A) 2.10).

e) Employee benefit plans

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 29A(ii).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

3 PROPERTY, PLANT AND EQUIPMENT

Sr. No.	Particulars	(Rs. in lakhs)				(Rs. in lakhs)			
		Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount		As at March 31, 2023	
		Opening as at April 01, 2022	Additions	Disposals	Closing as at March 31, 2023	Opening as at April 01, 2022	For the Year	Disposals	Closing as at March 31, 2023
Own Assets									
1	Land Freehold (Refer note 1 below)	850.03	-	-	850.03	-	-	-	850.03
2	Building	2,658.18	86.67	18.04	2,726.81	290.85	253.04	17.85	526.04
3	Railway Sidings	8.06	-	-	8.06	0.58	-	-	0.58
4	Plant and Equipment	27,501.46	1,750.81	293.40	28,958.87	12,801.30	3,000.21	292.85	15,508.66
5	Electric Installations	355.25	-	49.87	305.38	279.28	27.10	49.85	256.53
6	Rolling Stocks and Locomotives	1.69	-	-	1.69	-	-	-	1.69
7	Furniture, Fixtures and Office Equipments	456.21	65.90	22.37	499.74	113.55	77.63	21.51	169.67
8	Vehicles	119.40	12.79	44.41	87.78	52.32	13.36	42.75	22.93
9	Jetty and Wharf (Refer note 3 below)	129.08	-	-	129.08	116.00	2.27	-	118.27
	TOTAL	32,079.36	1,916.17	428.09	33,567.44	13,653.88	3,373.61	424.81	16,602.68
Net Carrying Amount As at March 31, 2023									
16,964.76									
Sr. No.	Particulars	(Rs. in lakhs)				(Rs. in lakhs)			
		Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount		As at March 31, 2022	
		Opening as at April 01, 2021	Additions	Disposals	Closing as at March 31, 2022	Opening as at April 01, 2021	For the Year	Disposals	Closing as at March 31, 2022
Own Assets									
1	Land Freehold (Refer note 1 below)	850.03	-	-	850.03	-	-	-	850.03
2	Building	755.13	1,942.75	39.70	2,658.18	181.84	139.88	30.87	290.85
3	Railway Sidings	8.06	-	-	8.06	0.58	-	-	0.58
4	Plant and Equipment	25,567.49	2,093.96	159.99	27,501.46	10,261.17	2,683.23	143.10	12,801.30
5	Electric Installations	355.36	-	0.11	355.25	251.04	28.34	0.10	279.28
6	Rolling Stocks and Locomotives	1.69	-	-	1.69	-	-	-	1.69
7	Furniture, Fixtures and Office Equipments	365.97	172.32	82.08	456.21	128.98	63.06	78.49	113.55
8	Vehicles	93.47	37.60	11.67	119.40	51.19	12.80	11.67	52.32
9	Jetty and Wharf (Refer note 3 below)	129.08	-	-	129.08	96.84	19.16	-	116.00
	TOTAL	28,126.28	4,246.63	293.55	32,079.36	10,971.64	2,946.47	264.23	13,653.88
Net Carrying Amount As at March 31, 2022									
18,425.48									

Notes:

- The Company has secured the mining rights through e-auction and the Company has received the Letter of Intent for dated 20 January 2023. Application for Terms of Reference is under process.
- The carrying amount of Leasehold Land (in respect of which the Group pays nominal ground rent) at Sikka, Gujarat is Nil. The lease period expires on November 20, 2044 and the Group has an option to renew the same for further period of 99 years.
- The Group has currently valid, subsisting and exclusive priority license with Gujarat Maritime Board ("GMB") for construction, upgradation and use of the Captive Wharf / Jetty at Sikka vide License Agreement dated 20 September 1999 valid till 2024.
- There are no qualifying assets and accordingly no borrowing cost is capitalised during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023
4(A) INTANGIBLE ASSETS

Sr. No.	Particulars	Gross Carrying Amount			Accumulated Amortisation			(Rs. in lakhs) Net Carrying Amount As at March 31, 2023
		Opening as at April 01, 2022	Additions	Adjustment/ Disposals	Opening as at April 01, 2022	For the Year	Adjustment/ Disposals	
	Own Assets (Acquired)							
1	Computer Software and Licenses	88.00	23.49	-	39.54	25.10	-	46.85
2	Mining right (land) (Refer note below)	1,338.06	63.65	-	164.86	108.67	-	1,128.18
	TOTAL	1,426.06	87.14	-	204.40	133.77	-	1,175.03

Sr. No.	Particulars	Gross Carrying Amount			Accumulated Amortisation			(Rs. in lakhs) Net Carrying Amount As at March 31, 2022
		Opening as at April 01, 2021	Additions	Adjustment/ Disposals	Opening as at April 01, 2021	For the Year	Adjustment/ Disposals	
	Own Assets (Acquired)							
1	Computer Software and Licenses	77.30	10.70	-	4.32	35.22	-	48.46
2	Mining right (land) (Refer note below)	1,017.26	320.80	-	35.41	129.45	-	1,173.20
	TOTAL	1,094.56	331.50	-	39.73	164.67	-	1,221.66

Notes: Mining right (land) includes assets in respect of mines reclamation.

4(B) Right-of-use asset (Lease)

Sr. No.	Particulars	Gross Carrying Amount			Accumulated Amortisation			(Rs. in lakhs) Net Carrying Amount As at March 31, 2023
		Opening as at April 01, 2022	Additions	Adjustment/ Disposals	Opening as at April 01, 2022	For the Year	Adjustment/ Disposals	
1	Right-of-use asset (Lease)	95.16	-	44.48	62.50	18.58	40.71	10.31
	TOTAL	95.16	-	44.48	62.50	18.58	40.71	10.31

Sr. No.	Particulars	Gross Carrying Amount			Accumulated Amortisation			(Rs. in lakhs) Net Carrying Amount As at March 31, 2022
		Opening as at April 01, 2021	Additions	Adjustment/ Disposals	Opening as at April 01, 2021	For the Year	Adjustment/ Disposals	
1	Right-of-use asset (Lease)	85.57	43.28	33.69	57.29	29.14	23.93	32.66
	TOTAL	85.57	43.28	33.69	57.29	29.14	23.93	32.66

4(C) CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSET UNDER DEVELOPMENT

Sr. No.	Particulars	Gross Block			Amortisation			(Rs. in lakhs) Net Block As at March 31, 2023
		Opening as at April 01, 2022	Additions	Disposals	Opening as at April 01, 2022	For the Year	Disposals	
1	Capital work-in-progress	175.96	511.73	357.01	-	-	-	330.68
2	Intangible assets under development (Refer Note No. 4(D))	362.21	29.04	-	-	-	-	391.25
	TOTAL	538.17	540.77	357.01	-	-	-	721.93



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Sr. No.	Particulars	Gross Block			Amortisation			Net Block As at March 31, 2022
		Opening as at April 01, 2021	Additions	Disposals	Closing as at March 31, 2022	Opening as at April 01, 2021	For the Year	Closing as at March 31, 2022
1	Capital work-in-progress	899.05	175.38	898.47	175.96	-	-	175.96
2	Intangible assets under development (Refer Note No. 4(D))	356.65	5.56	-	362.21	-	-	362.21
	TOTAL	1,255.70	180.94	898.47	538.17	-	-	538.17

4(D) INTANGIBLE ASSETS UNDER DEVELOPMENT

The Company has acquired mineral rights of three mines i.e. Debhar-Bhavneswar, Mokhana and Pachhtardi having total expected Limestone Reserve of 27.49 million tons. Out of which, company has got the clearance for Pachhtardi mine. The value of the same mine has been moved to Intangible assets under Mining right (land). However, Company is yet to obtain environment clearance on remaining mines from Ministry of Environment & Forest, Climate Change. These mines are outside the Eco-Sensitive Zone but Debhar-Bhavneswar and Mokhana mines major portion fall within 1km restrictions of Barda Wildlife Sanctuary. Company has made various representation to Ministry of Environment and Forest and State Government. Management is confident of getting positive response from the respective authorities and will be able to get the requisite clearance. Value of such assets is Rs. 351.24 lakhs (as on March 31, 2022 - Rs. 351.24 lakhs).

4(E) Aging Schedule

Particulars	Amount in CWIP/Intangible under development for a period of				As at March 31, 2023
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Office building - Mines	16.82	8.05	-	-	24.87
Office building - Plant	13.98	-	-	-	13.98
Plant & Machinery - Cement Division	183.72	-	-	-	183.72
Plant & Machinery - Clinker Division	9.73	-	-	-	9.73
Plant & Machinery - Mines	0.75	-	-	-	0.75
Plant & Machinery - Packing	-	-	-	-	-
Structure Strengthening - Clinker division	-	53.88	-	-	53.88
Structure Strengthening - Cement division	-	41.00	-	-	41.00
Jetty	2.75	-	-	-	2.75
Sub total Capital work-in-progress	227.75	102.93	-	-	330.68
Intangible assets under development					
New Mines under development	6.36	16.49	6.66	351.24	380.75
Computer Software & Licenses	10.50	-	-	-	10.50
Sub total Intangible assets under development	16.86	16.49	6.66	351.24	391.25
Total	244.61	119.42	6.66	351.24	721.93

Particulars	Amount in CWIP/Intangible under development for a period of				As at March 31, 2022
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital work-in-progress					
Office building - Mines	7.16	-	-	-	7.16
Plant & Machinery - Cement Division	17.16	0.58	-	-	17.74
Structure Strengthening - Clinker division	111.90	-	-	-	111.90
Structure Strengthening - Cement division	13.20	-	-	-	13.20
Colony upgradation	25.96	-	-	-	25.96
Sub total Capital work-in-progress	175.38	0.58	-	-	175.96
Intangible assets under development					
New Mines under development	5.57	5.40	-	351.24	362.21
Sub total Intangible assets under development	5.57	5.40	-	351.24	362.21
Total	180.95	5.98	-	351.24	538.17

Note : The projects mentioned above are expected to complete as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
5	OTHER FINANCIAL ASSETS (NON-CURRENT)	As at March 31, 2023	As at March 31, 2022
	Deposits with bank with maturity period of more than 12 months from reporting date (Refer note below)	500.10	995.25
	Security deposits	46.22	29.85
	TOTAL	546.32	1,025.10

Note: Deposit with bank amounting to nil (March 31, 2021 : Rs. 8.94 lakhs) are lien marked against Bank Guarantees.

		(Rs. in lakhs)	
6	INCOME TAX ASSETS (NON-CURRENT)	As at March 31, 2023	As at March 31, 2022
	Income tax asset (net)	35.97	39.41
	TOTAL	35.97	39.41

		(Rs. in lakhs)	
6A	TAX EXPENSE	As at March 31, 2023	As at March 31, 2022
	Current tax :		
	Current tax on profits for the year	2,092.57	3,325.34
	(Excess) / short provision for tax of earlier years	(336.83)	7.81
	Total current tax expense	1,755.74	3,333.15
	Deferred tax :		
	Decrease in deferred tax assets (net)	(1.76)	288.79
	(Decrease) in deferred tax liabilities	(414.33)	(330.57)
	Total deferred tax charge/(credit)	(416.09)	(41.78)
	Total tax expense/(credit)	1,339.65	3,291.37
	Effective tax rate	18.74%	37.32%
	Reconciliation of tax expense and accounting profit multiplied by statutory tax rate	-	-
	Profit/(Loss) before tax	7,147.69	8,819.00
	Rate of tax	25.17%	34.94%
	Tax expense/(credit) at applicable tax rate	1,799.07	3,081.71
	Effect of expenses not deductible in determining taxable profit	41.29	43.54
	Effect of expenses deductible in determining taxable profit	(144.17)	-
	Deferred tax on ESOS	(19.73)	-
	Short provision for tax of earlier years	(336.83)	7.81
	Change in Corporate Tax Rate assumption	-	158.31
	Total tax expense/(credit)	1,339.65	3,291.37

		(Rs. in lakhs)	
7	OTHER NON-CURRENT ASSETS	As at March 31, 2023	As at March 31, 2022
	Capital advances	6.32	198.01
	Deposits with government authorities	1,232.17	1,232.10
	Balances with statutory authorities	305.06	305.06
	Pre-paid expenses	72.76	12.98
	TOTAL	1,616.31	1,748.15

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. in lakhs)	
8	INVENTORIES	As at March 31, 2023	As at March 31, 2022
	Raw materials	979.78	745.83
	Work in progress	4,716.33	4,852.58
	Finished Goods (including goods in transit)	1,020.12	392.26
	Stores and spare parts (net off provision Rs. 419.18 lakhs, March 31, 2022 : Rs.372.86 lakhs)	2,023.05	1,821.37
	Packing materials	327.03	422.90
	Fuels	2,477.34	4,433.89
	TOTAL	11,543.65	12,668.83

		(Rs. in lakhs)	
9	TRADE RECEIVABLES	As at March 31, 2023	As at March 31, 2022
	Considered good - secured	247.32	250.75
	Considered good - unsecured	1,918.66	1,085.27
	Credit impaired	4.49	3.86
	SUB- TOTAL	2,170.47	1,339.88
	Less: Expected Credit Loss	(4.49)	(3.86)
	TOTAL	2,165.98	1,336.02
	Movement in expected credit loss		
	Balance at the beginning of the year	3.86	7.87
	Add: Provided/(reversal) for the year	0.63	(4.01)
	Balance at the end of the year	4.49	3.86

9A Trade Receivable ageing schedule as at March 31, 2023								(Rs. in lakhs)
Particulars	Outstanding for following period from due date of payment						As at March 31, 2023	
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade Receivables								
(i) Considered good	159.72	2,004.35	0.85	-	-	1.07	2,165.98	
(ii) Credit Impaired	-	0.74	0.79	-	-	2.96	4.49	
Total	159.72	2,005.09	1.64	-	-	4.03	2,170.47	

9B Trade Receivable ageing schedule as at March 31, 2022								(Rs. in lakhs)
Particulars	Outstanding for following period from due date of payment						As at March 31, 2022	
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade Receivables								
(i) Considered good	1,031.76	303.20	-	-	1.06	-	1,336.02	
(ii) Credit Impaired	-	0.11	0.78	-	1.17	1.80	3.86	
Total	1,031.76	303.31	0.78	-	2.23	1.80	1,339.88	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
10	CASH AND CASH EQUIVALENTS	As at March 31, 2023	As at March 31, 2022
	Cash and Cash equivalents:		
	Cash on hand	0.66	0.49
	Bank Balances :		
	In Current accounts	1,273.54	1,287.44
	TOTAL	1,274.20	1,287.93
		(Rs. in lakhs)	
11	BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	As at March 31, 2023	As at March 31, 2022
	Deposits with banks (Original maturity more than three months and up to twelve months - Refer note below)	9,453.71	6,996.90
	Earmarked balance with bank for unpaid dividend	73.21	47.02
	TOTAL	9,526.92	7,043.92
Note: Deposits with banks amounting to nil (March 31, 2022 : Rs.9.39 lakhs) are against bank guarantees.			
		(Rs. in lakhs)	
12	LOANS (CURRENT)	As at March 31, 2023	As at March 31, 2022
	(Unsecured, considered good)		
	Loan to employees	53.42	36.58
	TOTAL	53.42	36.58
		(Rs. in lakhs)	
13	OTHER FINANCIAL ASSETS (CURRENT)	As at March 31, 2023	As at March 31, 2022
	(Unsecured, considered good unless otherwise stated)		
	Interest accrued on security deposits	0.51	0.64
	Others (net of provision of Rs.172.22 lakhs, as on March 31, 2022 Rs.178.08 lakhs)	357.25	58.97
	TOTAL	357.76	59.61
		(Rs. in lakhs)	
14	OTHER CURRENT ASSETS	As at March 31, 2023	As at March 31, 2022
	(Unsecured, considered good unless otherwise stated)		
	Advance royalty	83.18	90.92
	Pre-paid expense	100.72	277.86
	Pre-paid expense - CSR (Refer Note - 41)	8.07	36.92
	Balances with statutory authorities	2.73	0.31
	Advances to suppliers :		
	Considered good	646.90	368.92
	Considered doubtful	18.14	26.59
	Less: Provision for doubtful advances	(18.14)	(26.59)
	TOTAL	841.60	774.93
	Movement in allowance for doubtful debts		
	Balance at the beginning of the year	26.59	26.59
	Add: Allowance for the year	-	-
	Less: Provision utilized	(8.45)	-
	Balance at the end of the year	18.14	26.59

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

(Rs. in lakhs)

15 SHARE CAPITAL		As at March 31, 2023	As at March 31, 2022
Authorised			
25,00,00,000 (March 31, 2022: 25,00,00,000) equity shares of Rs. 10/- each		25,000.00	25,000.00
		25,000.00	25,000.00
Issued			
14,54,72,145 (March 31, 2022: 14,42,97,145) equity shares of Rs. 10/- each		14,547.21	14,429.71
Subscribed and paid-up			
14,52,03,898 (March 31, 2022: 14,40,28,898) equity shares of Rs. 10/- each fully paid		14,520.39	14,402.89
Less: 1,120 equity shares of Rs. 10/- each forfeited		(0.11)	(0.11)
Add: Forfeited shares (amount originally paid-up on equity shares)		0.07	0.07
	TOTAL	14,520.35	14,402.85

a) Reconciliation of the number of shares : Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
Balance at the beginning of the year	14,40,27,778	14,402.85	14,22,92,276	14,229.30
Issue of shares under ESOS -2019	11,75,000	117.50	17,35,502	173.55
Balance at the end of the year	14,52,02,778	14,520.35	14,40,27,778	14,402.85

b) The Group has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amount, in proportion to their shareholding. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend.

c) 265,212 equity shares are kept in abeyance out of the Rights Issue entitlement pending settlement of disputes.

d) 3,035 equity shares were issued in past but unsubscribed.

e) Shares held by holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
True North Fund VI LLP	8,08,25,928	8,082.59	8,08,25,928	8,082.59

f) Details of shareholder holding more than of 5% of the aggregate shares in the Company including promoter share holding

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
True North Fund VI LLP	8,08,25,928	55.66%	8,08,25,928	56.12%
TOTAL	8,08,25,928	55.66%	8,08,25,928	56.12%

g) There are no shares bought back or allotted either as fully paid up by way of bonus shares or allotted under any contract without payment received in cash during 5 years immediately preceding March 31, 2023.

h) During the year ended March 31, 2023, the Company has allotted 11,75,000 (March 31, 2022 : 17,35,502) equity shares of Rs.10/- each to the option grantees upon exercise of Option under the Company's Employees Stock Option Scheme - 2019. Pursuant to this allotment, the paid up equity share capital of the Company has increased from 14,40,27,778 equity shares of Rs.10/- each to 14,52,02,778 equity shares of Rs.10/- each.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
16	OTHER EQUITY	As at March 31, 2023	As at March 31, 2022
	Capital reserve	8,786.87	8,786.87
	Capital redemption reserve	35.00	35.00
	Securities premium	369.61	263.01
	Share option outstanding (Refer note 29 & 43)	75.34	100.42
	General Reserve	2,000.00	2,000.00
	Surplus in statement of profit and loss		
	Balance as at the beginning of the year	5,630.57	6,826.07
	Add : Profit for the year	5,808.04	5,527.63
	Add : Deferred tax on ESOS	280.46	-
	Add : Other comprehensive income/(loss)	39.98	0.43
	Less: Transfer to general reserve	-	(1,000.00)
	Less: Dividends	(5,045.10)	(5,723.56)
	Balance as at the end of the year	6,713.95	5,630.57
	TOTAL	17,980.77	16,815.87

Notes :

- Capital Reserve** : The Holding Company had issued 6% non-cumulative compulsorily convertible preference shares to its then parent Company. Subsequently, the preference shareholders relinquished their right and resultant gain was recorded in the capital reserve in the year of 2010. It also include subsidies received from State Government in the year 2002-03.
- Capital Redemption Reserve** : This was created on redemption of 14% redeemable cumulative preference shares in year 1996-97.
- Securities Premium** : Securities premium is used to record the excess of the amount received over the face value of the shares. This can be utilised in accordance with the provision of the Companies Act, 2013.
- Shares Options Outstanding** : The Group has share option schemes under which options to subscribe for the Group's shares have been granted to specific employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to certain class of employee as part of their remuneration. Refer to Note 43 for further details of these plans.
- General Reserve**: The Group has transferred a portion of its net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.
- Surplus in statement of profit and loss** represent surplus/accumulated earnings of the Group and are available for distribution to shareholders.
- Analysis of Accumulated OCI** :

		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(123.66)	(124.09)
Remeasurements of post employment benefit obligations, gain/(loss)	53.43	0.58
Income tax effect	(13.45)	(0.15)
Balance at the end of the year	(83.68)	(123.66)

Note : Balance of OCI transferred to retained earnings.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

- 8) The Board has recommended a final dividend of Rs. 2.50/- (i.e. 25%) per equity share (March 31, 2022 Rs. 2/- per equity share) of Rs. 10/- each on 14,52,02,778 fully paid Equity Shares for the year ended March 31, 2023 (March 31, 2022 14,40,27,778 fully paid equity shares), aggregating to Rs. 3,630.07 lakhs (March 31, 2022 - Rs. 2,880.56 lakhs). This will be in addition to the interim dividend of Rs.1.5/- (i.e. 15%) per equity shares of Rs. 10/- each already paid during the year.

		(Rs. in lakhs)	
17	PROVISIONS - NON-CURRENT	As at March 31, 2023	As at March 31, 2022
	Provision for mines reclamation	549.32	636.47
	Provision for employee benefits (Refer note 29A):		
	Provision for gratuity	280.50	420.97
	Provision for compensated absences	351.91	460.99
	TOTAL	1,181.73	1,518.43
	Movement in provision for mines reclamation		
	Balance at the beginning of the year	636.47	426.84
	Add : Unwinding of interest on provision	29.04	33.01
	Add : Effect of addition/changes in estimates	-	201.66
	Less : Utilised during the year	(116.19)	(25.04)
	Balance at the end of the year	549.32	636.47

		(Rs. in lakhs)	
18	DEFERRED TAX LIABILITIES (NET)	As at March 31, 2023	As at March 31, 2022
	Deferred tax assets/liabilities (Net)	(674.98)	(1,358.09)
	TOTAL	(674.98)	(1,358.09)
	The balance comprises temporary differences attributable to:		
	Deferred Tax Liabilities	-	-
	Depreciation/ Amortisation on property, plant and equipment and intangible assets	1,482.16	1,889.82
	Deferred tax on ROU asset created under Ind AS 116	19.53	26.20
	Less : Deferred Tax Assets		
	Allowance for doubtful debts	49.04	52.49
	Provision for slow moving/obsolete inventory	105.51	93.85
	Items allowed on payment/utilisation basis	221.49	277.91
	Disallowances for items to be allowed in subsequent years	80.54	34.88
	Provision for mines reclamation assets	48.38	70.31
	Deferred Tax on ESOS	300.19	-
	Deferred tax on lease liability created under Ind AS 116	21.55	28.49
	Deferred tax liabilities (net) [Refer note below]	(674.98)	(1,358.09)

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to same governing taxation laws.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakhs)

18A MOVEMENT IN DEFERRED TAX ASSETS/ LIABILITIES	As at April 01, 2022	Utilisation	Recognise through Profit and Loss	Recognise through Equity	Recognise through OCI / equity	As at March 31, 2023
Deferred tax liabilities						
Depreciation/amortisation on property, plant and equipment and intangible assets	(1,889.82)	-	407.66	-	-	(1,482.16)
Deferred tax on ROU asset created under Ind AS 116	(26.20)	-	6.67	-	-	(19.53)
Total deferred tax (liabilities)	(1,916.02)	-	414.33	-	-	(1,501.69)
Less : Deferred tax assets						
Allowance for doubtful debts	52.49	-	(3.45)	-	-	49.04
Provision for slow moving/obsolete inventory	93.85	-	11.66	-	-	105.51
Items allowed on payment/utilisation basis	277.91	-	(42.97)	-	(13.45)	221.49
Disallowances for items to be allowed in subsequent years	34.88	-	45.66	-	-	80.54
Provision for mines reclamation assets	70.31	-	(21.93)	-	-	48.38
Deferred tax on ESOS	-	-	19.73	280.46	-	300.19
Deferred tax on lease liability created under Ind AS 116	28.49	-	(6.94)	-	-	21.55
Unused tax credits (MAT credit entitlement)	-	-	-	-	-	-
Total deferred tax assets	557.93	-	1.76	280.46	(13.45)	826.70
Deferred tax assets (net)	(1,358 .09)	-	416.09	280.46	(13.45)	(674.98)

(Rs. in lakhs)

18B MOVEMENT IN DEFERRED TAX ASSETS/ LIABILITIES	As at April 01, 2021	Utilisation	Recognise through Profit and Loss	Recognise through Equity	Recognise through OCI / equity	As at March 31, 2022
Deferred tax liabilities						
Depreciation/amortisation on property, plant and equipment and intangible assets	(2,216.69)	-	326.87	-	-	(1,889.82)
Deferred tax on ROU asset created under Ind AS 116	(29.90)	-	3.70	-	-	(26.20)
Total deferred tax (liabilities)	(2,246.59)	-	330.57	-	-	(1,916.02)
Less : Deferred tax assets						
Allowance for doubtful debts	65.87	-	(13.38)	-	-	52.49
Provision for slow moving/obsolete inventory	117.29	-	(23.44)	-	-	93.85
Items allowed on payment/utilisation basis	387.72	-	(109.66)	-	(0.15)	277.91
Disallowances for items to be allowed in subsequent years	148.36	-	(113.48)	-	-	34.88
Provision for mines reclamation assets	94.83	-	(24.52)	-	-	70.31
Deferred tax on ESOS	-	-	-	-	-	-
Deferred tax on lease liability created under Ind AS 116	32.80	-	(4.31)	-	-	28.49
Unused tax credits (MAT credit entitlement)	1,043.31	(1,043.31)	-	-	-	-
Total deferred tax assets	1,890.18	(1,043.31)	(288.79)	-	(0.15)	557.93
Deferred tax assets (net)	(356.41)	(1,043.31)	41.78	-	(0.15)	(1,358.09)

For current year, the Company has calculated its tax liability for current taxes as per concessional tax regime.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

		(Rs. in lakhs)	
19	TRADE PAYABLES	As at March 31, 2023	As at March 31, 2022
	a) total outstanding dues of micro enterprises and small enterprises (Refer note 42)	62.14	96.47
	b) Total outstanding dues of creditors other than (a) above	6,213.98	6,160.89
	TOTAL	6,276.12	6,257.36

19A Trade Payable ageing schedule as at March 31, 2023

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment						As at March 31, 2023
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	62.14	-	-	-	-	62.14
(ii) Others	2,984.38	2,890.21	143.05	109.91	28.42	58.02	6,213.98
Total	2,984.38	2,952.35	143.05	109.91	28.42	58.02	6,276.12

19B Trade Payable ageing schedule as at March 31, 2022

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment						As at March 31, 2022
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	91.82	4.65	-	-	-	96.47
(ii) Others	2,949.19	2,886.41	206.14	20.11	16.85	82.19	6,160.89
Total	2,949.19	2,978.23	210.79	20.11	16.85	82.19	6,257.36

		(Rs. in lakhs)	
20	OTHER FINANCIAL LIABILITIES (CURRENT)	As at March 31, 2023	As at March 31, 2022
	Security deposits from customers	1,194.42	1,227.71
	Rebate and discount to customers	963.10	822.89
	Security deposits from vendors	161.08	222.77
	Payable to creditors related to property, plant and equipments	510.38	583.67
	Employee benefits payable	655.97	601.56
	Unpaid Dividends	73.21	47.02
	Others	1.46	5.06
	TOTAL	3,559.62	3,510.68

		(Rs. in lakhs)	
21	OTHER CURRENT LIABILITIES	As at March 31, 2023	As at March 31, 2022
	Advances from customers	720.10	645.45
	Statutory dues (including provident fund and tax deducted at source)	1,309.65	1,280.24
	Others	0.37	0.40
	TOTAL	2,030.12	1,926.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
22	PROVISIONS (CURRENT)	As at March 31, 2023	As at March 31, 2022
	Provision for litigations and disputes (Refer note below)	308.40	275.55
	Provision for employee benefits (Refer note 29A):		
	Provision for compensated absences	168.58	100.40
	TOTAL	476.98	375.95

Note : Provision of Rs.248.66 lakhs (as at March 31, 2022 : Rs. 248.66 lakhs) for arrears of rent claimed by Mumbai Port Trust with respect to plot of land C-2 and C3 at Sewri Estate Mumbai towards the proceeding filed by Mumbai Port Trust (MPT) against the Company. The Company is contesting the said order before the High Court.

		(Rs. in lakhs)	
23	INCOME TAX LIABILITY (NET)	As at March 31, 2023	As at March 31, 2022
	Income tax liability (net)	130.53	51.81
	TOTAL	130.53	51.81

		(Rs. in lakhs)	
24	CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS	As at March 31, 2023	As at March 31, 2022
a)	Claim against the Group not acknowledged as debts		
	Demand contested by the Group		
	- Sales tax	396.14	396.14
	- Excise duty	1,065.29	1,251.97
	- Service tax	2,345.22	2,069.15
	- Custom duty	477.69	451.55
	- Labour cases	65.50	79.50
	- Other cases	909.02	909.02
	TOTAL	5,258.86	5,157.33

b) A sum of Rs. 309.84 lakhs (March 31, 2022: Rs. 309.84 lakhs) on account of arrears, rent, service charges, way leave fees of certain leasehold property, consequent to the Order of the Estate Officer of Mumbai Port Trust (MPT) dated February 28, 2007, has not been provided for as the said property was assigned in an earlier year to M/s Dinbandhu Estate Pvt. Ltd. (the Assignee). The assignment was subject to the approval of MPT which was to be arranged by the Assignee. The Company is contesting the said Order before the High Court.

c) In respect of retrospective revision (August 2012 to January 2018) of electricity duty the Group has received a demand of Rs. 1,472 lakhs from Paschim Gujarat Vij Group Limited. The Group has filed a writ petition with the High Court. Management believes that the probability of the above matter converting into a liability for the Group is remote basis various precedents and applicable laws. As per the direction received from High Court, the Group has deposited Rs. 500 lakhs as fixed deposit with the High Court in July 2018.

d) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities.

e) Competition Commissioner of India has visited the office on 22nd and 23rd of Dec, 2022 for the purpose of conducting "Search" to find out certain information concerning the Competition Commission. Since, the Company have not indulged in any concerning Competition Commission which is in violation of Competition Law and have not committed any breach of Competition Laws, management do not apprehend any material impact on the financial statements of the Company.

f) The Company has entered into a Power Purchase Agreement with Trinethra Renewable Energy Pvt. Ltd. (Power Producer) dated 6th April, 2022 for purchase of Wind and Solar (Hybrid) power with schedule commencement date of 6th January,

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

2023. The Company has recognised income of Rs.314.81 lakhs, a compensation equivalent to the loss of benefits for the Period from 06/01/2023 to 31/03/2023 as per Power Purchase Agreement.

g) **Capital commitments :**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs.486.56 lakhs (March 31, 2022: Rs. 276.48 lakhs).

		(Rs. in lakhs)	
25	REVENUE FROM OPERATIONS	Year ended March 31, 2023	Year ended March 31, 2022
	Sale of product (Refer note 39)	72,234.88	62,494.87
	Sale of service	169.95	-
	Other Operating Revenue		
	Scrap sales	174.19	356.12
	Miscellaneous income	94.64	83.05
	TOTAL	72,673.66	62,934.04

		(Rs. in lakhs)	
26	OTHER INCOME	Year ended March 31, 2023	Year ended March 31, 2022
	Interest income (Refer note below)	355.34	300.39
	Profit on sale of property, plant and equipments (net)	5.39	-
	Net gain on foreign currency transactions and translations	3.62	56.19
	Liability/Provision written back to the extent no longer required	302.45	-
	Provision for Doubtful Debt written back (net) (Refer note 9 and 13)	5.23	-
	Insurance claim	-	0.66
	Miscellaneous income	32.36	41.67
	TOTAL	704.39	398.91

Note : Interest income on deposits are calculated based on effective interest method which is measured at amortised cost

		(Rs. in lakhs)	
27	COST OF MATERIAL CONSUMED	Year ended March 31, 2023	Year ended March 31, 2022
	Raw material consumed		
	Opening inventory	745.83	513.14
	Add: Purchases and incidental expenses (including cost of extraction and transporting lime stone Rs. 5,974.44 lakhs, March 31, 2022 Rs.6,298.25 lakhs)	10,645.93	10,160.67
	Less: Closing inventory	979.78	745.83
	Cost of raw material consumed during the year	10,411.98	9,927.98
	Packing material consumed		
	Opening inventory	422.90	231.20
	Add: Purchases and incidental expenses	2,446.06	2,420.07
	Less: Closing inventory	327.03	422.90
	Cost of packing material consumed during the year	2,541.93	2,228.37
	TOTAL	12,953.91	12,156.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

		(Rs. in lakhs)	
28	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS	Year ended March 31, 2023	Year ended March 31, 2022
	(Increase) in stocks		
	Stock at the end of the year		
	Work in progress	4,716.33	4,852.58
	Finished goods	1,020.12	392.26
	TOTAL A	5,736.45	5,244.84
	Less: Stock at the beginning of the year		
	Work in progress	4,852.58	3,859.07
	Finished goods	392.26	399.10
	TOTAL B	5,244.84	4,258.17
	(Increase) in stocks (B-A)	(491.61)	(986.67)

		(Rs. in lakhs)	
29	EMPLOYEE BENEFITS EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Salaries, wages and bonus	3,445.34	3,354.81
	Contribution to provident and other funds:		
	Provident fund [Refer note no. 29A(i)]	176.20	175.93
	Superannuation fund [Refer note no. 29A(i)]	25.55	28.19
	Gratuity [Refer note no. 29A(ii)]	91.85	86.72
	Expenses on Employees Stock Options Scheme (Refer note 16 & 43)	11.03	33.98
	Staff welfare expenses	144.60	87.44
	TOTAL	3,894.57	3,767.07

29A EMPLOYEE BENEFIT OBLIGATIONS:

i) Defined-contribution plans

The Group makes contribution to provident fund under the provision of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and to superannuation fund for the qualifying employees as per the Group's policy.

		(Rs. in lakhs)	
	Amount recognised in Consolidated Statement of Profit and Loss	Year ended March 31, 2023	Year ended March 31, 2022
	Provident fund	176.20	175.93
	Superannuation fund	25.55	28.19

ii) Defined-benefits plans

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, as per the Group's policy. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death. The gratuity payable to employees is based on the employee's tenure of service and last drawn salary at the time of leaving the services of the Group. The gratuity plan is a funded plan and is administrated through a trust namely Shree Digvijay Cement Co. Ltd. Employee Gratuity Fund.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

Amount recognised in Consolidated Statement of Profit and Loss		(Rs. in lakhs)
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	65.76	62.12
Past service cost	-	-
Interest on defined benefit obligation/(asset) (net)	26.09	24.60
Total amount recognised in Consolidated Statement of Profit and Loss	91.85	86.72

Amount recognised in other comprehensive income:		(Rs. in lakhs)
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement during the period due to:		
(Gain)/loss from change in financial assumptions	(26.45)	2.33
(Gain)/loss from change in demographic assumptions	(24.28)	11.25
Experience (gains)/losses	12.51	(16.39)
Actuarial (gains)/losses on plan assets	(15.21)	2.23
Total amount recognised in Other Comprehensive Income	(53.43)	(0.58)

Present value of defined benefit obligation : [Gratuity -Funded Plan]		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,175.80	1,161.90
Current service cost	65.76	62.12
Past service cost	-	-
Interest on defined benefit obligation	71.97	68.47
Remeasurement due to:		
(Gain)/loss from change in financial assumptions	(26.45)	2.33
(Gain)/loss from change in demographic assumptions	(24.28)	11.25
Experience (gains)/losses	12.51	(16.39)
Benefit paid	(196.57)	(113.88)
Balance at the end of the year	1,078.74	1,175.80

Fair value of plan assets:		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	754.83	737.07
Contributions by employer	178.89	90.00
Interest income	45.88	43.87
Benefits paid	(196.57)	(113.88)
Actuarial losses on plan assets	15.21	(2.23)
Balance at the close of the year	798.24	754.83

Assets and Liabilities recognised in the Consolidated Balance Sheet:		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	1,078.74	1,175.80
Fair value of plan assets	(798.24)	(754.83)
Deficit of funded plan	280.50	420.97
Non-current (Note 17)	280.50	420.97
Current	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Correct wording is Major Category of Plan Assets as a % of total Plan Assets :		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Government of India securities	23%	25%
Corporate bonds	6%	6%
Insurance managed fund	69%	68%
Others	2%	1%
	100%	100%

Actuarial Assumptions:		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	6.80%
Salary growth rate	8.50%	8.50%

The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

Mortality:

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions by 50 basis Point is:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions by 0.5%		Decrease in assumptions by 0.5%	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate (%)	-1.95%	-2.30%	2.03%	2.41%
Change due to Discount rate (Rs. In lakhs)	(21.04)	(27.04)	21.90	28.34
Salary growth rate (%)	2.00%	2.36%	-1.94%	-2.27%
Change due to Salary growth rate (Rs. In lakhs)	21.57	27.75	(20.93)	(26.69)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which has been used for calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected Contribution to the Fund in the next year:		(Rs. in lakhs)
Particulars		Amount
Gratuity		150.00

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****iii) Risk Exposure**

The Gratuity scheme is Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The risks commonly affecting the defined benefit plan are expected to be:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation.

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

iv) Defined Benefit Liability and Employer Contributions

The Group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

The weighted average duration of the defined benefit obligation is 3.98 years (March 31, 2022 - 4.70 years). The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity (undiscounted)		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
1st following year	343.75	235.16
2nd following year	159.68	234.01
3rd following year	170.25	150.76
4th following year	154.44	159.98
5th following year	120.48	177.40
Sum of 6th to 10th following year	588.73	762.20

v) Other long term employee benefits :

		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Non-current (Note 17)	351.91	460.99
Current (Note 22)	168.58	100.40
Total	520.49	561.39

Note: The above classification is based on actuary's report.

Actuarial Assumptions:		(Rs. in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	6.80%
Salary growth rate	8.50%	8.50%

The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Leave Availment Pattern:

Based on the data provided to us on the pattern of availment of leave by employees of the Group in the past, it has been assumed that 1.75% (2.5% in Previous Year) for Prevacation Leave & 5.00% (2.5% in Previous Year) for Sick leave of leave balance as at the valuation date and each subsequent year following the valuation date is availed by the employee. The balance leave is assumed to be available for encashment on separation from the Group.

		(Rs. in lakhs)	
30	FINANCE COSTS	Year ended March 31, 2023	Year ended March 31, 2022
	Interest on short term borrowings	25.10	6.82
	Interest on income tax	0.01	13.49
	Interest to others	31.74	31.27
	Unwinding of discount on provision	29.04	33.01
	Unwinding of discount on lease liability	4.88	6.85
	Other finance cost	42.90	54.18
	TOTAL	133.67	145.62
		(Rs. in lakhs)	
31	DEPRECIATION AND AMORTISATION EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Depreciation on property, plant and equipment [Refer note 3]	3,373.61	2,946.47
	Amortisation on intangible assets [Refer note 4(A)]	133.77	164.67
	Amortisation on Right-of-use asset (Lease) [Refer note 4(B)]	18.58	29.14
	TOTAL	3,525.96	3,140.28
		(Rs. in lakhs)	
32	OTHER EXPENSES	Year ended March 31, 2023	Year ended March 31, 2022
	Consumption of stores and spare parts	1,629.11	1,546.75
	Repairs to building	258.58	265.66
	Repairs to machinery	1,320.06	1,237.34
	Sales commission	1,263.19	944.44
	Advertisement and publicity expenses	530.57	295.93
	Insurance	205.68	198.93
	Rent (including lease rent) (Refer note 40)	152.55	123.87
	Rates and taxes	35.24	1.86
	Printing, stationery and communications expenses	52.28	38.70
	Travelling expenses	254.02	149.20
	Legal and professional fees	484.06	443.78
	Contractual manpower charges	122.52	120.74
	Equipment hire charges	421.44	293.73
	Provision for doubtful debts and advances (net) (Refer note 9,13 and 14)	-	20.04
	Loss on sale / write-off of property, plant and equipments (net)	-	14.39
	Provision for slow / non-moving stores and spares	46.33	37.21
	Directors sitting fees	25.50	30.00
	Directors commission	15.00	15.00
	Donation	5.14	1.00
	Payment to auditors		
	As auditor:		
	Audit fees (Including limited review)	27.61	23.10
	Tax audit fees	1.50	1.50
	Certification	0.50	0.50
	Reimbursement of expenses	0.15	0.17
	Expenditure towards corporate social responsibility (CSR) activities (Refer Note 41)	165.14	108.62
	Miscellaneous expenses	354.87	338.25
	TOTAL	7,371.04	6,250.71

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****33 SEGMENT INFORMATION****Operating segment**

The Group's chief operating decision maker (CODM) has identified two business segment viz. cement business - Manufacturing and Sales of Cement and Logistics business. Its only production facility is located in India. There are no other reportable segment. the Group's Chairman reviews internal company management reports periodically. The Chairman is designated as the Chief Operating Decision Maker (CODM).

Reportable segment - description of segment

The Company has two reportable segment : Cement business - Manufacturing and Sales of Cement & Logistic business - Logistic services

Segment revenue (Revenue from operations and other operating revenue)

		(Rs. in lakhs)	
33a	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	(i) Cement Business	72,487.43	62,934.04
	(ii) Logistic Business	186.23	-
	Total	72,673.66	62,934.04

Segment results

		(Rs. in lakhs)	
33b	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	(i) Cement Business	7,233.82	8,966.08
	(ii) Logistic Business	47.54	(1.46)
		7,281.36	8,964.62
	Finance Costs	133.67	145.62
		7,147.69	8,819.00
	Tax Expense	1,339.65	3,291.37
	Profit for the year	5,808.04	5,527.63

Segment Assets and Liabilities

		(Rs. in lakhs)			
33c	Particulars	Segment Assets		Segment Liabilities	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	(i) Cement Business	46,794.79	46,235.50	14,331.77	15,018.14
	(ii) Logistic Business	39.37	2.95	1.26	1.59
	Total	46,834.16	46,238.45	14,333.03	15,019.73

Other information

		(Rs. in lakhs)			
33d	Particulars	Capital expenditure*		Depreciation and amortization	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	(i) Cement Business	2,544.08	4,802.35	3,525.96	3,140.28
	(ii) Logistic Business	-	-	-	-
	Total	2,544.08	4,802.35	3,525.96	3,140.28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Right of use assets, Other intangible assets and Intangible assets under development.

33e The Group does not have revenue from customer located outside India during the year. The Group does not hold any non-current assets in foreign countries. There are no individual customers or a particular group contributing to more than 10% of revenue.

Geographical segment

The Group operates in two principal geographical areas of the world, its home country (Domestic) and other countries (Overseas).

The Group does not hold any non-current assets in foreign countries. There are no individual customers or a particular group contributing to more than 10% of revenue.

		(Rs. in lakhs)	
33f	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations and other operating revenue :		
	Domestic	72,488.67	62,934.04
	Overseas	184.99	-
	Total	72,673.66	62,934.04

34 RELATED PARTY DISCLOSURES:

34a Names of the related parties and nature of relationship:

i) Where control exists

Holding Entity :

True North Fund VI LLP

ii) Key Management Personnel

Mr. Anil Singhvi (Executive Chairman)

Mr. K. K. Rajeev Nambiar (CEO and Managing Director)

Mr. Pramod Kabra (Director)

Mr. Mahesh Gupta (Independent Director)

Ms. Mini Menon (Independent Director)

Mr. Satish Kulkarni (Independent Director)

iii) Trust

Shree Digvijay Cement Co. Ltd. Employees' Gratuity Fund

		(Rs. in lakhs)	
34b	Details of Transactions with related Parties:		
	Nature of Transactions	Holding Entity	Other Related Parties
	Dividend Paid	2,828.91	73.72
		(3,233.04)	(74.44)
	Reimbursement of expenses	-	-
		(-)	(-)
	Contribution made to Trust	-	178.89
		(-)	(90.00)
	Balance at the end of Financial Year (Other than Equity)	-	-
		(-)	(-)

Figures in bracket are relates to the previous year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****34c Compensation of key managerial personnel :**

Related Parties	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefits to CEO and managing director & Chairman	-	1,003.61
Commission to independent directors	15.00	15.00
Directors' sitting fees to independent directors	25.50	30.00
Total	40.50	1,048.61

Key Management Personnel Compensation

Provision for gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

34d 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 Holding Company or its Subsidiary Company incorporated in India 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 lend or invest in party identified by or on behalf of the Holding Company or its Subsidiary Company incorporated in India (Ultimate Beneficiaries). The Holding Company or its Subsidiary Company incorporated in India has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

35 FAIR VALUE MEASUREMENTS**(i) Financial instruments by category**

There are no financial assets/liabilities that are measured at fair value through statement of profit and loss or other comprehensive income. The following financial assets/liabilities are measured at amortised cost:

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Other non-current financial assets	546.32	1,025.10
Trade receivables	2,165.98	1,336.02
Cash and cash equivalents	1,274.20	1,287.93
Other bank balances	9,526.92	7,043.92
Loans (current)	53.42	36.58
Other current financial assets	357.76	59.61
Total Financial Assets	13,924.60	10,789.16
Financial Liabilities		
Trade payables	6,276.12	6,257.36
Other financial liabilities	3,562.58	3,532.00
Total Financial Liabilities	9,838.70	9,789.36

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:-

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of term deposits and interest there on, trade receivables, cash and cash equivalents, other financial assets, borrowings, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short-term nature.

36 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The market risk to the Group is foreign exchange risk and interest rate. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

36A CREDIT RISK

Credit risk comprises of direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It mainly arises from trade receivables, cash and cash equivalents (excluding cash on hand) and bank deposits.

(i) Credit risk management

a) Trade receivables

The carrying amount of trade receivables represent the maximum credit exposure net of provision for impairment. The maximum exposure to credit risk was Rs. 2,165.98 lakhs as of March 31, 2023 (March 31, 2022 - Rs. 1336.02 lakhs).

Trade receivables are derived from revenue earned from customers. Credit risk for trade receivable is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business. Further, there are customers covered either by security deposits or bank guarantee. The Company's credit period generally ranges from 0-30 days.

As per simplified approach, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Group's customers' financial condition; aging of trade accounts receivable, the extent of credit insurance coverage; the value and adequacy of collateral received from the customers in certain circumstances; the Group's historical loss experience; and changes in credit risk and capital availability of the Group's customers resulting from economic conditions. The Group defines default as an event when there is no reasonable expectation of recovery.

Expected credit loss for trade receivables as at March 31, 2023

(Rs. in lakhs)

Ageing	0-120 days	> 120 days	Total
Gross carrying amount	2,161.21	9.26	2,170.47
Expected loss rate	0%	48%	0.21%
Expected credit losses (Loss allowance provision)	-	4.49	4.49
Carrying amount of trade receivables (net of impairment)	2,161.21	4.77	2,165.98

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

Expected credit loss for trade receivables as at March 31, 2022			(Rs. in lakhs)
Ageing	0-120 days	> 120 days	Total
Gross carrying amount	1,333.59	6.29	1,339.88
Expected loss rate	0%	61%	0.29%
Expected credit losses (Loss allowance provision)	-	3.86	3.86
Carrying amount of trade receivables (net of impairment)	1,333.59	2.43	1,336.02

b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalents and bank deposits is generally low as the said deposits have been made with banks having good reputation, good past track record and high quality credit rating and Group also reviews their credit-worthiness on an on-going basis.

36B LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is managed by Group's Liquidity and Financial Indebtedness Management Policy, which aims to ensure the availability of sufficient net funds to meet the Group's financial commitments with minimal additional cost. One of the main liquidity monitoring measurement instruments is the cash flow projection, using a minimum projection period of 12 months from the benchmark date.

(i) Financing arrangements

The Company has undrawn borrowing facilities of Rs. 8,800.23 lakhs as at March 31, 2023 (Rs. 9,180.58 lakhs as at March 31, 2022). Undrawn credit facilities comprises of fund based and non-fund based.

(ii) Maturities of financial liabilities

The following table shows the maturity analysis of the Group's financial liabilities based on the contractually agreed undiscounted cash flows as at the Balance Sheet date.

			(Rs. in lakhs)
CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	Less than 1 Year	Above 1 Year	Total
March 31, 2023			
Trade payables	6,276.12	-	6,276.12
Other financial liabilities	3,562.58	-	3,562.58
Total Liabilities	9,838.70	-	9,838.70

			(Rs. in lakhs)
CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	Less than 1 Year	Above 1 Year	Total
March 31, 2022			
Trade payables	6,257.36	-	6,257.36
Other financial liabilities	3,514.94	17.06	3,532.00
Total Liabilities	9,772.30	17.06	9,789.36

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

37 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure of the Group, Management can make, or may propose to the stockholders when their approval is required, adjustments to the amount of dividends paid to stockholders, return capital to stockholders, issue new shares or sell assets to reduce, for example, debt.

The Group considers total equity reported in the consolidated financial statements to be managed as part of capital.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Total Debt	-	-
Less : Cash and cash equivalents	1,274.20	1,287.93
Adjusted net debt	(1,274.20)	(1,287.93)
Equity share capital	14,520.35	14,402.85
Other equity	17,980.77	16,815.87
Total equity	32,501.12	31,218.72
Adjusted net debt to equity ratio	-	-

38 EARNINGS PER SHARE (EPS)

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Profit after tax (Rs. in lakhs)	5,808.04	5,527.63
Weighted average number of shares outstanding for basic EPS	14,43,87,573	14,32,56,468
Add: Potential Equity Shares on exercise of options	18,71,794	29,83,424
Weighted average number of shares outstanding for diluted EPS	14,62,59,367	14,62,39,892
Nominal value per share (In Rs.)	10.00	10.00
Basic earning per share (In Rs.)	4.02	3.86
Diluted earning per share (In Rs.)	3.97	3.78

39 Reconciliation of the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price:

Particulars	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Revenue as per contracted price	74,762.89	64,303.72
Adjustments :		
Rebates & Discounts	2,358.06	1,808.85
Revenue from contract with customers	72,404.83	62,494.87

Disaggregation of revenue

The management determines that there is only one business segment viz. Manufacturing and Sales of Cement as per the segment information reported under Note 33 Segment reporting, hence there is no requirement to disclose disaggregation of revenue under Ind AS 115 Revenue from contract with Customers separately.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****Significant payment terms**

Generally, the Group provides 21 days credit period for trade type customers and 30 days for non-trade type customers. Further, trade customers are eligible for certain discounts as per basis quantity upliftment by the customer on monthly, quarterly and annual.

40 LEASES**As a lessee:**

As a lessee, the Group entered in to leases agreement for many assets including property, production equipment and IT equipment. The Group recognises right-of-use assets and lease liabilities for most of these leases. These lease arrangements range for a period between 11 months and 20 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

	(Rs. in lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Lease payments recognised in the Consolidated Statement of Profit and Loss during the year	152.55	123.87

	(Rs. in lakhs)	
Lease Liabilities on account of adoption of Ind AS 116	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	21.32	27.65
Add: Addition during the year	-	30.88
Less: Deletion during the year (net)	(3.77)	-
Finance costs incurred during the year	4.88	6.85
Payments of Lease liabilities	(19.47)	(44.06)
Balance at the end of the year	2.96	21.32
Current	-	17.06
Non- Current	2.96	4.26

41 EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY

	(Rs. in lakhs)	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance	36.92	47.80
Gross amount required to be spent by the Group during the year	165.14	108.62
Net Amount to be spent by the Group during year	128.22	60.82
Amount spent during the year on:		
i) Construction / acquisition of asset	106.23	20.19
ii) On purposes other than (i) above	30.06	77.55
Total amount spent	136.29	97.74
Closing Balance (Refer Note below)	8.07	36.92

Note: Excess amount spent under CSR have been disclosed in Note-14 as pre-paid expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

41A Manner in which amount has been spent during the financial year is detailed below:

		(Rs. in lakhs)	
CSR Project / Activities	Sector	Year ended March 31, 2023	Year ended March 31, 2022
Company took various measures in Second waves of COVID-19 as preventive health care and sanitation. Providing medical facilities and distribution of medical instruments to local health centers. Organized various medical camps / health check-ups, medication and health awareness program on flus, COVID-19 etc.	Health, Hygiene and Sanitation	15.30	1.61
Disaster management, Distribution of Food Packets & Masks, sanitizer in local area to prevent spread of second waves of the COVID-19.	Contribution for social cause	39.35	3.68
Improvement in quality of, education which includes special education, skill development and employment generating vocational skills among children, women, elderly.	Promotion of Education	42.28	72.27
Development of infrastructure and safety & security system, sports facilities & renovation of School.	Social Business Project and Welfare activities	36.89	20.18
Organized Skill Development Activity for women by distributing sewing machines, conducting tailoring classes, Cooking Classes etc. Other activities for promoting gender equality and empowering women including contribution to orphanage for women education	Empowerment of Women	2.46	-
Total		136.29	97.74

42 DUES TO MICRO AND SMALL ENTERPRISES

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 as below :

		(Rs. in lakhs)	
Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end		62.14	96.47
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end		-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-	-
Interest due and payable towards suppliers registered under MSMED Act, for payment already made		-	-
Further interest remaining due and payable for earlier years		-	-

There is no principal and interest overdue to Micro and Small enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and the same has relied upon by the auditors.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023****43 SHARE BASED PAYMENTS (Ind AS 102)**

- (A) The Group has granted 70,60,000 options during the FY 2019-20 to its eligible employee including 1 MD & CEO and 5 business heads under ESOS, details are as under:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Vesting plan	20%	30%	30%	20%
No. of Options (Refer Note 43(D))	1,412,000	2,118,000	2,118,000	1,412,000
Vesting period	1 Year	2 Years	3 Years	4 Years
Exercise period	5 Years	5 Years	5 Years	5 Years
Time to expiration (Years)	6 Years	7 Years	8 Years	9 Years
Grant Date	August 05, 2019	August 05, 2019	August 05, 2019	August 05, 2019
Exercise Date	August 04, 2025	August 04, 2026	August 04, 2027	August 04, 2028
Exercise price (Rs. per share)	16.00	16.00	16.00	16.00
Fair Value per Stock Option (Rs. per share)	3.17	3.11	3.03	2.94
Share price as on grant date (Rs. per share)	14.74	14.74	14.74	14.74

Note : Options would be vested based on Group's and individual performance and time as per Grant Letter

(B) Fair Valuation

70,60,000 share options were granted during the year March 31, 2020 with vesting plan of 20%, 30%, 30% and 20% basis each year. Weighted average fair value of the options granted is Rs. 3.06 per share.

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model.

(C) The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant August 05, 2019 :

Risk Free Rate	6.39%
Expected annual volatility	40.62%
Dividend Yield	Nil

(D) Movement of Options Granted :	(Rs. in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	3,966,500	6,022,002
Granted during the year	-	-
Vested during the year	1,917,000	1,863,750
Exercised during the year	1,175,000	1,735,502
options expired (due to resignation & retirement)	173,000	320,000
Outstanding at the end of the year	2,618,500	3,966,500
Options exercisable at the end of the year	1,364,250	622,250

(E) Expenses recognised in profit or loss :

For details of the related employee benefits expense, see note 29.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

44 Principles of Consolidation

These Consolidated Financial Statements (CFS) are prepared in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110) and "Disclosure of interests in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

45 Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013.

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	% of consolidated net assets	Rs. In lakhs	% of consolidated profit/(loss)	Rs. In lakhs	% of consolidated OCI	Rs. In lakhs	% of consolidated TCI	Rs. In lakhs
March 31, 2023								
Parent :	99.90%	32,469.02	99.37%	5,771.30	100%	39.98	99.37%	5,811.28
Wholly owned subsidiary :								
SDCCL Logistics Limited	0.12%	38.10	0.63%	36.74	0.00%	-	0.63%	36.74
Adjustments arising out of consolidation	-0.02%	(6.00)	0.00%	-	0.00%	-	0.00%	-
Total	100%	32,501.12	100.00%	5,808.04	100%	39.98	100%	5,848.02
March 31, 2022								
Parent :	100.02%	31,223.36	100.03%	5,529.09	100%	0.43	100.03%	5,529.52
Wholly owned subsidiary :								
SDCCL Logistics Limited	0.00%	1.36	-0.03%	(1.46)	0.00%	-	-0.03%	(1.46)
Adjustments arising out of consolidation	-0.02%	(6.00)	0.00%	-	0.00%	-	0.00%	-
Total	100%	31,218.72	100%	5,527.63	100%	0.43	100%	5,528.06

The notes are an integral part of these consolidated financial statements.

In terms of our report of even date

For **B S R & Associates LLP**

Firm Registration No. : 116231W/W-100024

Chartered Accountants

Jeyur Shah

Partner

Membership No.: 045754

Place: Ahmedabad

Date: April 27, 2023

For and on behalf of the Board of Directors

Anil Singhvi

Executive Chairman

DIN: 00239589

Mahesh Gupta

Independent Director

DIN: 00046810

Place: Digvijaygram / Mumbai

Date: April 27, 2023

K. K. Rajeev Nambiar

CEO & Managing Director

DIN: 07313541

Vikas Kumar

Chief Financial Officer

Suresh Kumar Meher

V. P. (Legal) & Company

Secretary

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries, Associates And Joint Ventures

Part A: Wholly Owned Subsidiary (WOS)

		Amount (in Rs.)
Sr.	Particulars	Details
1	Name of the wholly owned Subsidiary	SDCCL Logistics Limited (CIN : U63000GJ2020PLC115066)
2	The date since when Subsidiary was Incorporated	28 th July, 2020
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting Currency and Exchange Rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA
5	Share Capital	6,00,000
6	Other Equity	31,11,044
7	Total Assets	39,36,074
8	Total Liabilities	39,36,074
9	Investments	Nil
10	Turnover	1,86,22,786
11	Profit before Taxation	47,54,805
12	Provision for Taxation	10,79,960
13	Profit after Taxation	36,74,845
14	Proposed Dividend	-
15	% of Shareholding	100%

Part B: Associates and Joint Ventures :

The Company does not have any Associates or Joint Ventures, hence the requirements under this part is not applicable to the Company.

For and on behalf of Board of Directors

Anil Singhvi
Chairman

KK Rajeev Nambiar
CEO & Managing Director

Vikas Kumar
CFO

Suresh Meher
V.P. (Legal) & Company Secretary

Place : Mumbai / Digvijaygram
Dated : 27th April, 2023

GLIMPSES OF CSR ACTIVITIES



Sanitary Pad distribution



Linkage with government hospital for mammography test



Drawing competition on Save Environment



Linkage with government Anganwadi for nutrition support



Distribution of Study Kits to 10th & 12th std. students



Yoga Sessions for wellbeing women



Employment Generation through Beautyparlour Classes



Blood Donation Camp



Gift and Food distribution to women



Group Marriage



Linkage with SBI for youth employment



Reflection Belt to save Animals & Prevent accident



Mobile Health Van Service in nearby villages



Tailoring Machine Distribution



Medical Camp



**KAMAL
CEMENT**
SINCE 1944

A PRECIOUS
LEGACY OF
UNCOMPROMISED
STRENGTH.



SHREE DIGVIJAY CEMENT COMPANY LIMITED



**SHREE DIGVIJAY CEMENT
COMPANY LIMITED**

CIN: L26940GJ1944PLC000749
Digvijaygram - 361 140
Dist. Jamnagar (Gujarat)

Telephone: (0288) 2344 272 - 2344 275
Fax No.: (0288) 2344 092
E-mail: investors.sdccl@digvijaycement.com
website: www.digvijaycement.com