Shree Cement

SHREE CEMENT LIMITED

ANNUAL REPORT
2020-21

HARD WORK
BEATS TALENT WHEN TALENT DOESN'T
WORK HARD

Performance snapshot 2020-21

Key Financial Numbers

₹12,588 CRORE
Net Revenue from Operations
↑ 5.7%

₹4,413 CRORE
EBIDTA
↑ 11.8%

₹2,312 CRORE
Net Profit
↑ 47.2%

₹15,250 CRORE
Net Worth as on March 31, 2021
↑ 17.9%

↑ growth (y-o-y)

Key Non-Financial Numbers

6,259
Employees

₹45.73 CRORE
CSR Spent

25,860
Dealers

48%
Share of renewable energy in total power consumption

Growth over 10-year horizon

Parameter	2010-11	2020-21	CAGR
Cement Production Capacity (MTPA)	13.5	43.4	12.39%
Power Generation capacity (MW)	260	752	11.21%
Revenue from operations (₹ Crore)	3,454	12,588	13.81%
Operating Profit (EBIDTA) (₹ Crore)	1,010	4,413	15.89%
Profit After Tax (₹ Crore)	210	2,312	27.13%
Net Worth (₹ Crore) (as at the year-end)	1,986	15,250	22.61%
Market Capitalisation (₹ Crore) (as at the year-end)	7,211	1,06,313	30.87%

Your comments and feedback are of great importance to us. We would be glad to address any queries or observations that you may have with regard to our Performance or this Report. You are most welcome to e-mail us at investor@shreecement.com.

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HARD WORK BEATS TALENT WHEN TALENT DOESN'T WORK HARD

The Earth's ceaseless motion enables it to sustain life. This rarest of rare phenomenon will not last if the Earth stops rotating and revolving. That's the lesson the Universe teaches us. Like our Mother Earth, talent has to continually work hard to achieve its purpose.

At Shree Cement, we have always counted on our hard work to sharpen our talent and succeed. When we started our journey over three decades ago, we brought the requisite talent on board to make a mark in India's cement sector. Since then consumers' aspirations have evolved, demand-supply dynamics altered and technology is playing an ever more important role in the way we create value. Notwithstanding adversities and challenges that came our way, we have continued to work hard. We never stopped at any point, neither in achievement nor in failure.

We have grown our market share and brand recall because we have continually honed our capabilities. We ramped up our scale, enhanced supply chain efficiencies, listened to the expectations of our customers and stakeholders, and above all empowered our teams to seek new horizons. The journey continues, with no comfort zone or complacency to create value that lasts.

As we begin our work each day, we are inspired by the belief that talent multiplied by hard work produces the best outcomes in business and in life.

CORPORATE IDENTITY

Steadfast Commitment to Create Value

Shree Cement Limited, incorporated in 1979, is India's third largest cement group today with operations spread across the country. Our network of strategically located integrated units and satellite grinding units across North, East and South India aid us in serving the length and breadth of India, from urban to the rural markets.

There is a part of Shree Cement in the lives of millions of people in India everyday. Our dedicated team is constantly striving to provide quality products to our customers.

We foster a culture that encourages continuous development, innovation, and collaboration leading to an overall operational excellence. We also remain dedicated in our commitment towards sustainability and inclusive growth, being among the industry pioneers in terms of use of renewable energy, alternate fuel & raw materials and energy efficiency in the production of cement. Today we are proud to have the highest installed capacity of Waste Heat Recovery Power plants in the world, excluding China.

Robust capacity (As on March 31, 2021)

43.4 MTPA
Total cement production capacity

9
Grinding Units in India

752 MW
Total power generation capacity

4
Integrated Units in India

244 MW
Renewable power generation capacity in total power capacity

Our Vision

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

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

AAH NO BHADRA: KRATAVO YANTU VISHWATAH

"Let noble thoughts come to us from all over the World."

- Rigveda

The Shree Philosophy

At Shree, we believe in imbibing and extending these noble thoughts across all our functions. Our ethos makes us an organisation that is:

- Quality and Energy Conscious
- Customer Responsive
- Socially Responsive
- Investor Rewarding
- Employee and Environment Friendly
- Sustainable Organisation

Our Guiding Principles

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

Our Values, Our Strengths

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

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

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

Simplify
- Extracting the essence and keep communication simple

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

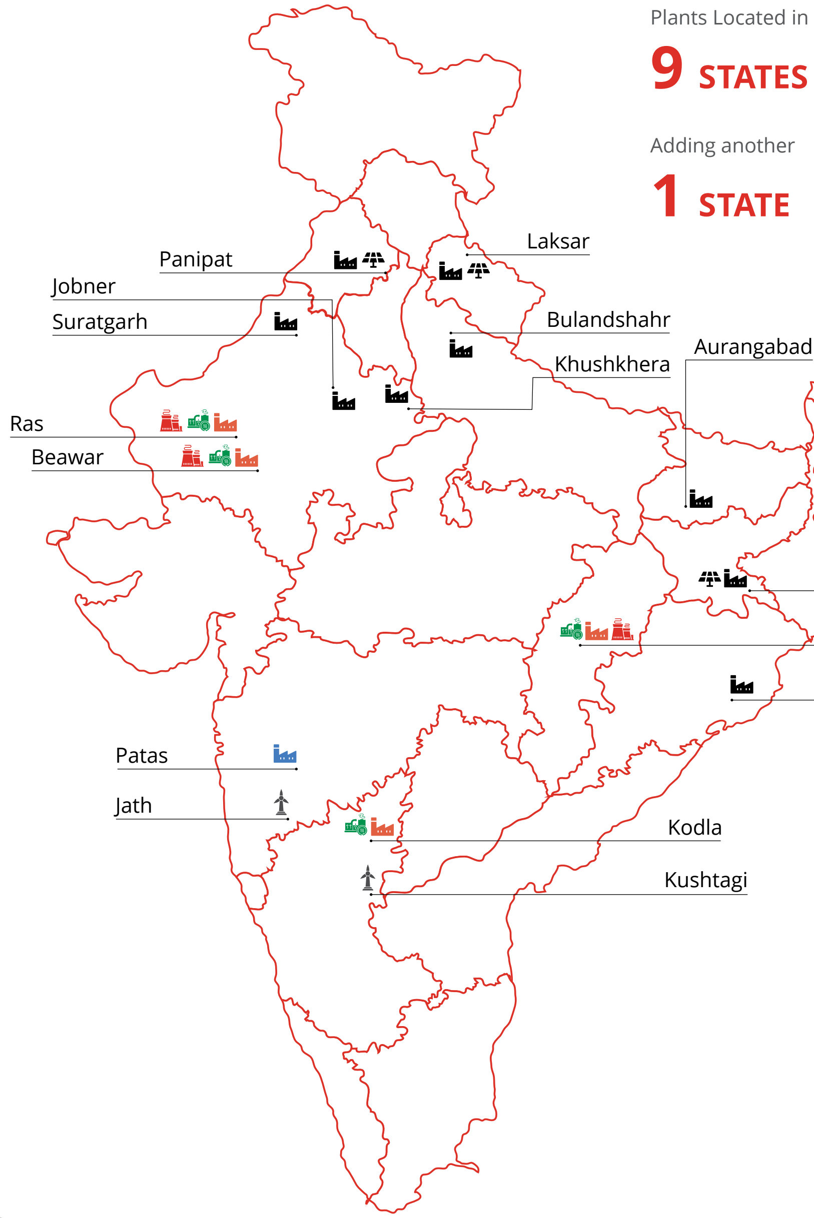
Care
- Being compassionate towards our communities and our environment
- Working together as one family; connect personally with each other
- Demonstrating human touch in the way we work

PRESENCE

Building Manufacturing Capabilities with Strategic Focus

Our integrated plants and grinding units help us serve our customers in a cost-efficient manner and at minimal turnaround time.

Footprint across India



Plants Located in
9 STATES

Adding another
1 STATE

Capacity

26.3 North	**3.0** South
14.1 East	**3.0** West*

*soon to be commissioned

Type of unit

- Integrated Cement Unit
- Cement Grinding Unit
- Upcoming Cement Grinding Unit
- Wind Power Plant
- Solar Power Plant
- WHR Power Plant
- Thermal Power Plant

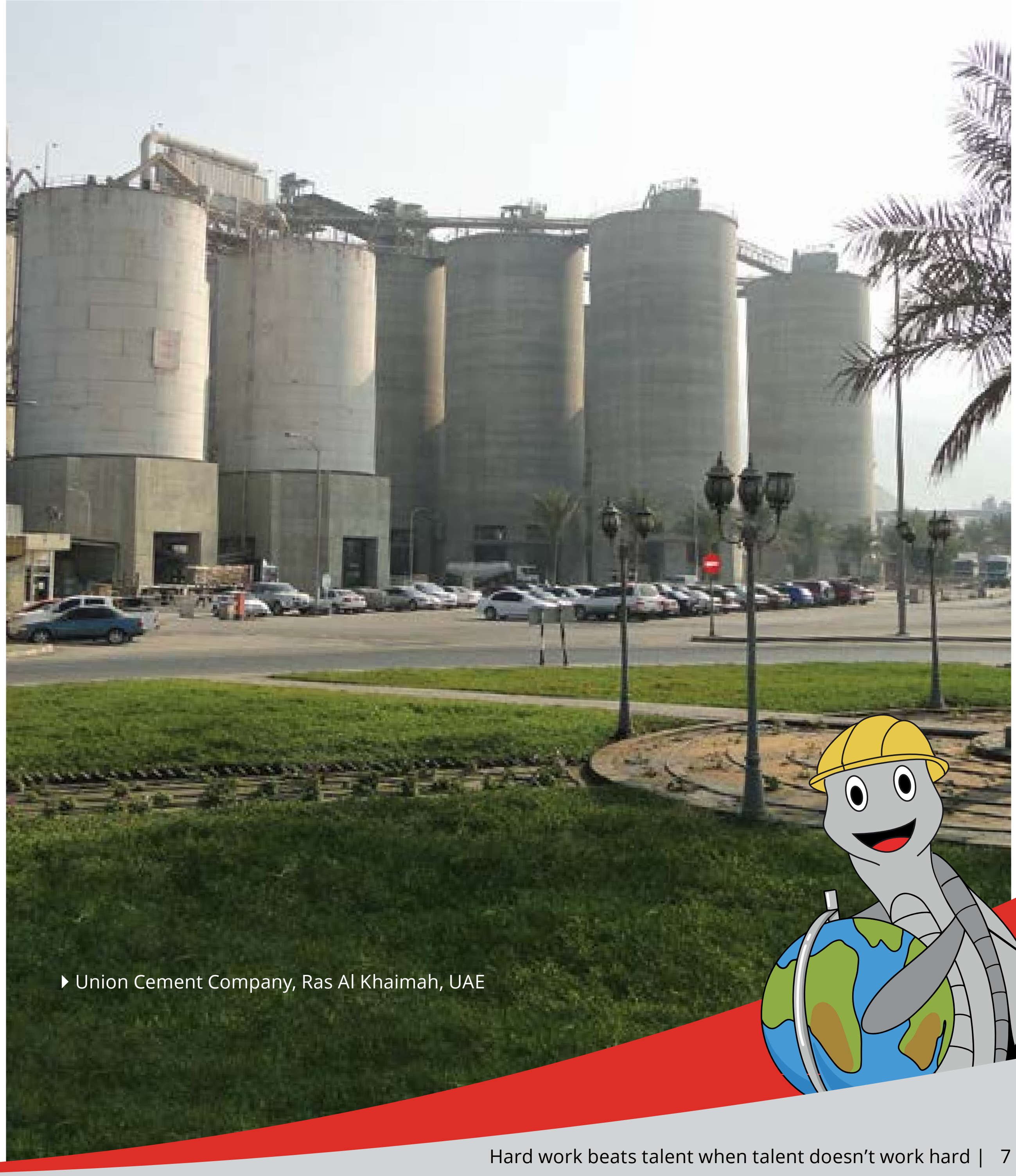
Map not to scale

UAE subsidiary

We operate our overseas operations through our subsidiary Union Cement Company (PJSC) which manufactures and sells cement in the United Arab Emirates and other international markets.

With debottlenecking and upgradation measures, we have been able to achieve clinker production of around 14,000 tonnes per day against the 10,000 tonnes per day capacity at the time of acquisition in year 2018.

UCC has also enhanced its capacity of Waste Heat Recovery power plant from 13.0 MW to 29.5 MW.



Union Cement Company, Ras Al Khaimah, UAE

BRAND AND PRODUCT PORTFOLIO

Making Brands Stand Out from the Crowd

Our product portfolio is based on the results of rigorous research of the requirements of our customers. We constantly thrive to provide high quality, reliable and innovative products to our customers across the social pyramid and industries.

Shree Jung Rodhak Cement

Ghar ki dhaal, Saalon Saal

An all-purpose cement it is the preferred choice in the segment, for its strong corrosion resistant property prolonging the life and durability of the structure.

OPC PPC PSC

Bangur Cement

Sasta Nahin Sabse Achha

Manufactured using German technology, it can be used for diversified construction purpose. It has been developed for customers looking for superior quality products which meet global standards.

OPC PPC

Rockstrong Cement

Desh Ko Banaye Rockstrong

An extensively used cement offering excellent value at competitive pricing. It is known for its strength and low setting time, enabling construction option in exceptionally harsh environmental conditions.

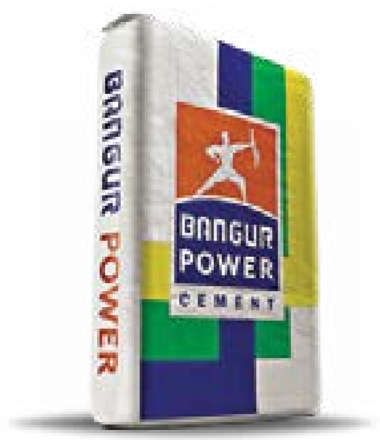
OPC PPC

Roofon Concrete Master Cement Premium

Har chhath ki khwahish

Launched after extensive research, this innovative product competes with world's best. It is designed to create strong lasting concrete structures with high tensile strength and is used for roofs, foundations, columns and beams to give a denser concrete layer that is crack and rust resistant.

PPC PSC

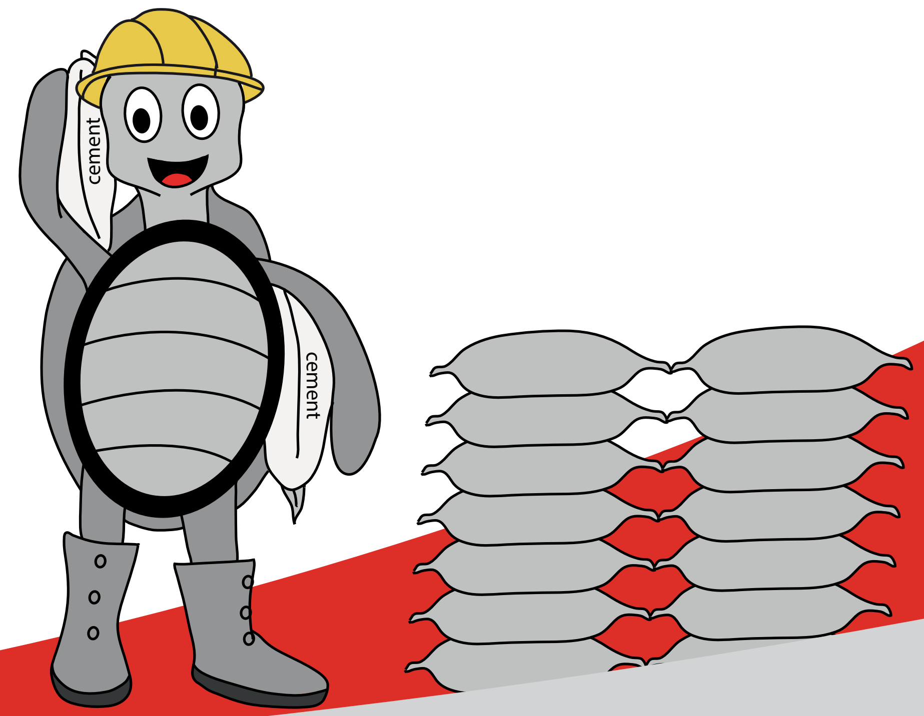


Bangur Power Cement Premium

Apno ke liye, Hamesha ke liye

The range marks an entry to the top most segment of the premium quality products– offering extra finesse, smoothness, high volume, higher strength, and resistance to corrosion. It is a specially formulated cement for the discerning customer, and meets all international standards.

OPC PPC PSC



CHAIRMAN SPEAKS

Sustained Growth through Hard Work

We had the talent to be in this field, but we also had the motivation to combine talent with untiring efforts to survive and succeed. The Shree of today is the result of continual efforts of our people over the years. People who, at each newer challenge, worked harder.

What separates a diamond from another piece of carbon is the undeterred motivation to tolerate the heat expanding over thousands of degrees and to keep shouldering calamities inside the earth's core. Those which cannot withstand the pressure remain a piece of carbon. Depending, however, upon how it copes with the challenges, as every piece of carbon has the property to turn into a diamond someday.

What this underlies? That inherent quality or Talent, unless nurtured with hard work, would remain an unutilised potential. It is true that every human being possesses some ability or talent. However, no one can attain destiny with talent alone. Only those who never give up realise their true potential.

Shree started in 1985 with less than one-million-tonne of cement making capacity. We had the talent to be in this field, but we also had the motivation to combine talent with untiring efforts to survive and succeed. The Shree of today is the result of continual efforts of our people over the years. People who, at each newer challenge, worked harder. They remained committed to their goals and undaunted in the face of upheavals in the external environment. Every achievement, big or small, continued strengthening our belief, not just in the talent of our people, but in their motivation to keep growing.

As we continue to seek newer horizons of success, we are aware of the need to keep refining and redefining our practices and proficiency. And we remain passionate and motivated to continue our hard work.

B.G. Bangur

Every achievement, big or small, kept on strengthening our belief, not just in the talent of our people, but in their motivation to keep growing further

MANAGING DIRECTOR'S PERSPECTIVE

A Culture of Fostering Hard Work

Having the ability and having results are actually two different things. Having the requisite talent is basic. For achieving results, one must put in efforts.

> **Work gets accomplished by effort and industry, not merely by wishing. The animals don't enter a sleeping lion's mouth.**

A perennial question that people keep seeking an answer to is whether sustainable success is an interplay of various factors of fate, luck, talent and hard work. Our ancestors, in their continual pursuit of enlightenment, generated unlimited knowledge. This ancient knowledge bank, compiled and disseminated in the form of shlokas, contains key to guide us in our innumerable quests in life. One such compilation, Hitopadesha, provides an answer to the above query as contained in following Shloka:

उद्यमेन हि सिध्यन्ति कार्याणि न मनोरथैः ।
न हि सुप्तस्य सिंहस्य प्रविशन्ति मुखे मृगाः ।।

Work gets accomplished by effort and industry, not merely by wishing. The animals don't enter a sleeping lion's mouth.

Emphasis here is clearly on making efforts to achieve results. A lion is born with a natural ability to hunt. Is that enough for it to survive? No. To actually feed itself, the lion has to go into the forest and do the hard grind. No amount of inborn ability, even of the king of jungle, can substitute the efforts.

Having the ability and having results are actually two different things. Having the requisite talent is basic. For achieving results, one must put in efforts. Ordinary efforts will bring ordinary results. Hard work on a sustained basis produces success which is durable and takes one to greater heights. Thus, it is only continuous toiling with the same level of commitment on an ongoing basis that brings sustainable success. Below quote from Bhagwat Gita aptly describes the importance of consistent hard work -

दुर्लभान्यपि कार्याणि सिद्यन्ति प्रोद्यमेन हि।
शिलापि तनुतां याति प्रपातेनार्णसो मुहुः।।

Impossible things can be accomplished with efforts. Like a hard rock gets thinner with repeated fall of water.

Sportsmen like Sachin Tendulkar or Vishwanathan Anand have achieved amazing success in their sporting endeavour. It is very tempting to consider them 'naturally gifted and talented'. No doubt they had enormous ability or talent. But what made them great was their years of dedication and commitment towards their goal. What comes across as their talent is actually years of hard work. In fact, they had many contemporaries who were equally or more talented than them. But what made them stand out was their consistent hard work to improve their skills, no matter what the outcomes were.

Thus, what is more important is continuity of effort to sustain the positive outcomes. This can be explained arithmetically in the form of an equation where Result = Talent x [Hard Work]. Hard work has a domino effect. As the value of hard work expands, it also expands the value of talent thereby amplifying the figure on the LHS of above equation.

Some people achieve initial success, as in the case of lower hanging fruits. It, however, soon brings with it the temptation to get carried away and succumb to the lure of resting on achievements. Sustainable success accrues to those who get the complete equation right i.e. those who continue their run and don't stop. In the long-term, success is more dependent on the disciplined hard grind with perseverance. With similar talent, those who work hard are the one who triumph against all impediments. It means to say that if talent does not work hard, hard work beats talent.

At Shree, we have strived hard to create a work environment seeped in continually seeking action. Focus of the team is on regular betterment of existing practices. People are encouraged to look for opportunities in anything they do and to work as hard as they can. Talent is merely considered as allowing entry to an individual to the club of continual improvement. This is because in business, Status Quo is unsustainable. Change, fast or slow, is always happening in the external environment. Failing to take action to guard against it is costly. The only way is to keep sharpening your axe continually.

If one considers himself as owner, then instead of considering his daily activity as mundane and monotonous, he would relish the challenge of making it interesting by finding ways to improve on the same. Every such single innovation or improved daily practice contributes to the overall growth of the organisation, albeit through the same mundane task. When one is sure of the target and puts his efforts into action, every task becomes another arrow towards the target rather than a monotonous activity.

We have been growing at a brisk pace setting footprints in newer markets, embracing newer technologies and reaching newer horizons. As we expand our sphere of working, each attempt brings with it hitherto unseen challenges in terms of customers, environment, people and resources. We are prepared as we are practicing daily. Each one of our team, when he goes out to work, he is not merely doing his daily task, he is taking the small step towards the giant leap.

At Shree, we realise the importance of getting the entire equation right. Each and every member is inclined towards harnessing abilities as a daily routine to keep ticking the equation to a value, higher than yesterday. In fact, they work towards converting the equation where Hard work remains the only Talent we have!!

H. M. Bangur

A Q&A SESSION WITH JOINT MANAGING DIRECTOR

You have been growing consistently. What is the secret behind your success? Is it that you have more talent than others?

Colin Powell, American politician and General, described secret of success as 'There are no secrets to success. It is the result of preparation, hard work, and learning from failure'. And this is what our culture is all about.

We have an open, a 'secret-less' culture where everyone's view aimed at improving any existing process or practice is encouraged and empowered. Our talent lies in scouting for little improvements in everything we do. We have always measured growth in terms of improving upon the existing. We keep our benchmarks significantly higher which requires continual pushing yourself to the maximum. Thus, even if we fail to achieve the target, we are substantially better than where we were earlier. This requires a culture of ownership in the team which becomes self-sustaining when you give people freedom and allow mistakes in the pursuit of continual improvement. The team then builds up new capabilities and remains motivated to keep delivering, every day, with hard work and dedication. What is important is that we keep learning, even in failures, to optimise the approach next time.

The world was faced with unprecedented disruption during 2020-21. How did it impact Shree Cement?

The pandemic disrupted economy and lives globally and we were not an exception to it. However, after unlocking began, the economy witnessed a gradual recovery with ease of restrictions and opening up of various sectors. There was a substantial demand surge in the second half of the year from the rural regions. Additionally, increased prevalence of work-from-home in semi-urban regions led to enhanced demand for real estate space. Higher government spending also contributed to demand recovery from infrastructure segment.

It was important for us to remain prepared. Our deep-rooted presence and dealer network, continuous focus on cost optimisation and product servicing capability placed us in perfect position to capitalise on the demand surge and helped us recover much faster than our peers. In statistical terms, we reported 35.4% growth in the revenue and 30.4% growth in EBIDTA during the second half of the FY 2020-21 compared to first half of the year, leading to our overall annual revenue growth of 5.7% and EBIDTA growth of 11.8% vis-à-vis previous year.

How are you continuously de-risking yourself from the vagaries of the market while continuing your growth?

In business, risk is unavoidable and what one needs is to remain prepared to respond effectively. An airplane is always at risk while flying, but it is of no use staying on the ground. The biggest risk for an organisation is staying content within their set boundaries or to grow with excessive leverage. At Shree, our approach has been to grow sensibly.

We consolidate our market presence in a geography and then expand in newer markets. After establishing a strong presence in the northern market, we moved to the eastern market in 2014, and have been continuously consolidating our presence there. In 2018, we moved to southern markets by establishing 3 MTPA integrated unit in Karnataka. De-risking is also present at operational level. Even in high growth, we have remained flexible in our practices. We have built our systems to ensure that our product delivery can cater to the largest as well as smallest customers with equal efficiency, our plants can run on multiple fuels and ramp up or ramp down as per requirement, and our people have access to all levels of management at all times. Strong focus on cost optimisation through sustainable practices, processes and resource efficiency have helped us insulate ourselves to market vagaries to a great extent. Innovation is our key differentiator and as an organisation we encourage exploring newer ideas every day. This helps us stay ahead of our competitors in the market and achieve newer benchmarks.

How are you reducing your environment footprint?

Our innovation has far reaching impact on the way we take care of our environment. We have taken a number of innovative initiatives as a result of which our emission levels are one of the lowest and comparable with the best in the industry globally. Our WHR based power generation capacity is largest in world outside of China. We are steadily adding solar and wind energy plants to raise our green energy portfolio. In fact, I take pride in saying that our share of green energy, which is 48% of our total power consumption, is the highest in the industry. We produce synthetic gypsum to conserve natural gypsum using patented process. From continuously increasing share of green energy, to usage of alternative raw material, implementing energy efficiency measures and optimal use of natural resources, our sustainability interventions have been an integral part of our growth story and have become a guiding light for sustainable future.

How do you plan to grow in the coming years?

Our capacity and volume have grown at double digit CAGR over last two decades. We expect to continue this momentum and look forward to take our next leap of growth to achieve 80 MTPA capacity by 2030. In this process, we continue to explore newer geographies across the country and adopt both organic and inorganic ways.

We are mindful of fulfilling the aspirations of all our stakeholders and directing all our energies to realise the goals. There is no dearth of talent in our team and nor will be in our hard work. I have all the reasons to be optimistic and creating greater value for our stakeholders.

Prashant Bangur

STRATEGIC ROADMAP

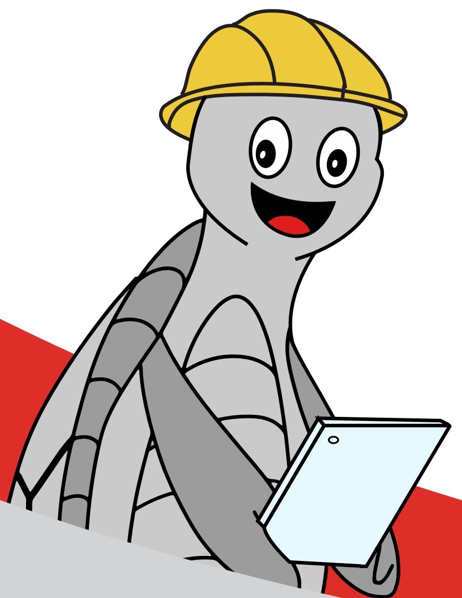
Achieving Seamless Growth

We strategically leverage our business model to improve our operating efficiencies and consolidate our market position to maximise long-term value creation for our stakeholders.

Our value-creation model is in line with our strategic goals of engraining ESG principles, expanding and upgrading capacity, and reimagining business process by embracing innovative and disruptive technologies. The strategy is framed to deliver strong returns to shareholders and also create sustainable value for our communities and employees.

Focus Area	Strategic Objective	Process and Achievement for FY 2021
Employee Safety & Health	• It is of paramount and foremost importance to ensure the safety of our people, partners and communities, while providing required support to remain productive during the pandemic and maintaining business continuity	• Remained in constant touch with our stakeholders inquiring about their well-being • Increased expenditure for enhanced medical and life policy support during unforeseen event • Virtual trainings conducted for continued employee growth
Cash Flow Management	• Judicious management of inventories and receivables for increased cash generation • Careful use of surplus cash flow in secured investments	• Increased net cash flow from operations for the year • Investment of ₹8,389 Crore maintained in safe govt. and high rated instruments
Efficiency Enhancement	• Be amongst the lowest cost manufacturer in the industry in terms of logistics cost, energy costs, raw material costs • Continue exploring digital transformation and innovation for cost optimisation across logistics	• Continued optimisation in mining operations and higher in-house production of gypsum • Continued exploring digital transformation and innovation for cost optimisation across logistics • Increase in share of renewable energy and efficient energy management practices • Efficiency improvement initiatives, rationalising routes and lead distances, enhancing direct dispatches and raising use of technological tools in supply management
Expanding and upgrading capacities	• Upgrade existing facilities with contemporary technology and new processes • Planned expansion to increase capacity to capitalise on growing markets	• Capacity expansion is largely on track • Adoption of automated technology driven monitoring system across units leading to reduced shutdown time, increasing safety and efficiency • Exploring both organic and inorganic expansion to increase capacity
Market Consolidation	• Strengthening market reach by expansion of distribution network and increase in retail sales with a focus on growing smaller towns and rural area • Continue to enhance our existing brands and introduce new brands as per changing customer needs	• Continuous increase in dealers • Increase in sales of premium category brands • Increase in market share
Sustainability Growth	• Be amongst the sustainable leaders in the industry with strong practices for waste, water, energy, and emission management • Conscious use and management of mines and raw material	• Continue to increase share of renewable power in total power consumption • Continuous increase in usage of alternative raw materials & fuels to conserve natural resources • Focus on energy efficiency and conservation

Immediate to short-term - ongoing
Mid to Long-Term



IT TAKES MORE THAN TALENT TO BE THE **ULTIMATE WINNER!**

We believe, talent can provide us a head start at the beginning of any endeavour. But at the end of the day, meticulous planning and perseverance will help win the marathon as they are the magic keys to greatness. An idea called Shree Cement came into being over four decades ago. We have nurtured it with care in all these years, and today it has grown on a rock-solid foundation ready to withstand the fiercest storms.

WE DISRUPT THE STATUS QUO TO SEE **WHAT'S NEXT!**

Our story in all these years has been that of bias towards action and continuous innovation to build a sustainable business. We critically analyse each and every aspect of the business, even small cost components in our operating ecosystem to grow efficiencies and optimise the utilisation of our resources.

THE NEXT MILESTONE ALWAYS **DEMANDS EXTRA EFFORT!**

We are not complacent on what we have achieved. Whatever talent we have today is a result of past. But it is no guarantee for tomorrow. Because for us, success is a continually moving finishing line. While we run, we achieve newer milestones. When everyone is running, if we stop, someone working hard will take over. The only way to sustain supremacy is to continually innovating and creating new success stories.

DECODING THE TALENT FOR SUCCESS: **HARD WORK**

From a little more than 13 MTPA capacity ten years ago, we now have an installed cement capacity of around 44 MTPA, more than 3x growth. Continuously improving our operational practices on a daily basis has made us one of the lowest cost manufacturer today. Our brands have firmly established trust in the minds of our customers. Sound financial planning and fund management has ensured that the growth is funded with a strong balance sheet. Our growth has always been a growth shared with all stakeholders. We have always championed the cause of sustainability and adopted triple bottom line approach to measure our growth. Today everyone in the team is motivated to find new opportunities to grow or convert challenges into opportunity.

As we look to decode the reasons that has sustained our growth, we see one central theme running across all above. While talent has played part in achieving excellence across diverse parameters, the key to sustainable success is hard work.

In forthcoming pages, we submit how 'Hard Work' is raison d'etre for our success.

MANUFACTURING

Excellence is Beaten by Improvement when Improvement is Continual

Had mankind sat content on the invention of wheels, there would not have automobiles and aeroplanes. No doubt these were pure excellence, but the improvement never ceased. Wireless communications systems have structurally changed the way of life today. Still newer developments keep happening every day in all fields, sometimes making existing standards obsolete.

Against such a backdrop of people striving for excellence, our cost leadership and efficiency in operations are well known. However, our story or current pole position is not to be seen in isolation. It is rather a continuous journey of daily small but regular improvements which, individually, may appear miniscule in the context of the large size of the organisation. But these improvements are what builds operational efficiency.

This year has been challenging for the entire planet and we could not have been secluded from the impacts of the COVID pandemic. While the lockdown compressed industrial activities in the first months of the year, we utilised the time to review our strengths and practices. We had no difficulty in quickly adjusting to the new normal. As the economy gradually recovered, we put ourselves in the position to reap maximum rewards.

During the year, we commissioned a new 3 MTPA cement unit in Cuttack, Odisha. With this, our aggregate Installed cement production capacity has now reached 43.4 MTPA. We also commissioned Wind Power Plant of 8 MW capacity in Karnataka taking our total installed wind power generation capacity to 29 MW. Last year also witnessed setting up of 16.5 MW Waste Heat Recovery plant at Union Cement Company in Ras-Al-Khaimah, UAE. We are committed to maximising consumption of clean and green energy.

We are focused on reducing our costs and delivering best quality. Shree has always led the industry with its innovative and unique initiatives, be it mining or production or power generation or marketing. Even in a difficult year, our cement production increased by 9.3% over last year. Our electricity consumption remained one of lowest at 68.65 units per tonne of cement. Our new brand offerings Roofon and Bangur Power raked up growth of 72%. We firmly believe that development can only be meaningful if it is sustainable. All our decision making considers sustainability and environmental impact at its centre. We increased share of alternative raw materials by 17%. While our production levels are continuously increasing, we have been able to optimise per unit of resource consumption be it fuel, raw material, energy, or anything else including emission levels.

Our social initiatives in multiple areas including sustainable livelihood are making meaningful impact in the local communities. We provided cement at no cost to dependents of martyrs towards construction of houses. We were at the forefront in managing the disruptive impact of COVID pandemic by providing oxygen cylinders, concentrators, medical equipment and other required materials including financial contribution. We raised awareness for vaccination, immunisation, wearing of mask and social distancing.

Our efforts have not only been recognised at multiple forums, but it is reflected in the premium the market gives to our brand, whether in the financial or marketing or overall sustainability.

Our zeal for innovation and passion for improvement has enabled us to keep becoming better every day. It has brought us to our current level. And will continue to take us to the next higher level.

P. N. Chhangani,
Whole Time Director

Output always appear simple. Looking cement as a greyish textured material is easy. However, dissecting it into multiple, cohesively running, complex and inter-dependent processes of manufacturing would be excellent. But continually improving upon each such process and delivering quality at lowest cost on sustainable basis is Hard Work.

Manufacturing is always a chain command of several smaller independent processes working in an interconnected and interdependent manner to produce desired output. While mining of limestone and generation of power are major sub processes, the clinkerisation and cement making process comprises of various other sub sets. For our team at Shree, every single process offers opportunity for improvement and every interdependency is an area of magnifying those improvements.

Like no amount of food can satiate hunger for life, at Shree, no achievement would satiate us for eternity. In fact, when the hunger itself is to do something better, manufacturing itself becomes an arena for creativity and innovation. A task executed correctly would only ensure desired output. However, innovating to create an improved version would ensure that all its subsequent and dependent processes are also to be improved upon to fit in and remain geared towards aimed execution level.

For instance, a small innovation at limestone crusher level i.e., augmenting its operation capacity from, say, 100 to 120 units per hour, would mean supply of extra 20% material to raw mill. Hence for the raw mill to remain fit into new standards, people will have to identify areas of hidden potential within the existing set up of raw mill to find margin for enhanced output of 120%. This would again require exploring latent potential in the capacity of subsequent operations. This is what we call reaping magnifying results of innovation.

With so many processes, all running simultaneously, the scope for innovation and improvement is endless. So is the need to have it sustainable. In our quest to persistently evolve as a sustainable manufacturer, we strive towards cost efficiency, optimal machine operation and judicious resource utilisation. However, the only criteria to achieve this objective is sustaining innovative mindset. The aim is to keep creating and acquiring newer talent to not just sustain but keep succeeding in the changing operating landscape.

MANUFACTURING CONTD..

Disciplined pursuit of improvement to build up abilities

Team at Shree understands that improvement is a continual journey. Opportunities to develop something new is always there for anyone looking with open mind. Whether a daily task or a new challenge, all have scope for betterment. Shree is known for its Project execution abilities. Projects after projects, of large size, have been completed successfully. One factor that is a common among all these successes is the disciplined pursuit of improvement upon the earlier project and to learn from it.

Moving from excellence to new excellence

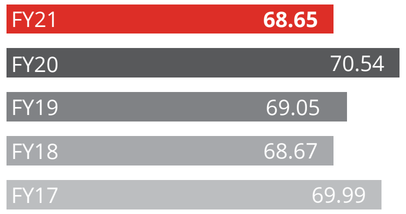
Commissioning wagon tippler for auto wagon loading: Our Hathband Railway siding had manual wagon loading which was desired to be converted into automatic wagon loading system. Majority of the commissioning process required presence and supervision of the service engineer, who could not be present at the site due to COVID, which also resulted in shortage of manpower. However, the team took upon itself to commission the system timely. They analysed the existing system at other sites, took expert consultation whenever required and sought remote guidance from OEM. They were able to commission the system which facilitated wagon loading of raw material and running of plants during COVID induced restrictions and shortages. Apart from savings in logistics cost, it boosted the moral and confidence of the engineers.

Commissioning of cement mill: At Cuttack, commissioning of Pfeiffer (a German company) make MVR 6000 cement grinding mill was to be done. Such highly mechanised commissioning is done under the supervision and presence of service engineers from OEM especially since it required complex checking of interlocking and programmes. Their COVID induced absence was delaying the project execution. The team at the site had confidence in its ability to go ahead with commissioning derived from past execution of projects. However, the specific experience was still missing. Ultimately the team decided to go ahead with the commissioning under the given circumstances. The team, while seeking occasional support from service engineer team, commissioned the cement mill in absence of OEM engineer. This resulted in starting the production during COVID pandemic. Above achievements instilled confidence in the team to take up complex tasks, even in absence of regular support, and execute it well.

Persistent daily progress: Improving upon the existing

While project execution is one time, the major aspect is the daily recurring operations. Normally, set standards and clear guidelines for process execution are considered the hallmark of any good manufacturing setup.
We however look at this differently. These standards and guidelines are starting points. Our team at the shop floor have liberty to question the standard if there is a better way to execute the given task. They occasionally don't realise the expected outcome as desired. But this is considered positively as learning and doing the task better in the next attempt. This motivates the team to keep looking for infinite opportunities that exist in the processes and practices. With so many activities happening every moment, the scope for improvement is endless. This has made us one of the lowest cost producer of cement with lower specific energy consumption.

Specific electrical energy consumption (Kwh/Ton of Cement)



MANUFACTURING CONTD..

Bucket elevator for kiln feed: Bucket elevator for kiln feed is a regular process wherein our team at Raipur unit was using 415 V LT motors with LT VFD to produce high starting torque. In its quest for improvement, the team replaced the motors with 11 KV HT motors. This simple variation generated multifold benefits in the form of higher safety, eliminating need for VFD drives, ease of starting, low electrical stress, less breakdown and low wear and tear, apart from recurring savings.

Similar idea was also subsequently applied in cooler fan resulting in multifold benefits.

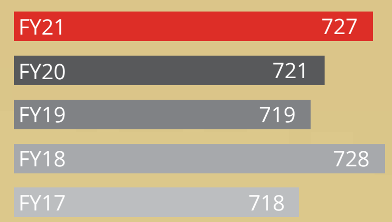
Kiln operation consistency: It was observed that during Raw Mill stoppage, the bulk of high Limestone Saturation Factor (LSF), high CC and high blaine material from the Raw Meal Baghouse goes directly to the Raw Meal Silo affecting the consistency of kiln operation. Due to higher content of CC, kiln's feed also was required to be controlled leading to less output. To improve the consistency of Kiln operation by avoiding mixing of this high LSF and high blaine material in raw meal silo, a separate steel silo of capacity 100 MT was installed. During Raw Mill stoppage, the material from Raw Meal Baghouse is stored in the new steel bin and subsequently fed in controlled manner to the silo to improve kiln operation.

Limestone containing Iron content replaced Red Ochre in Raw-mix: At the Raipur unit, layer of Iron rich low grade limestone of 1 m thickness was encountered after removing top soil and used to be dumped in waste yard. Our core belief of judicious resource utilisation led the team to come up with the idea of gainfully utilising it. For producing clinker, iron is added with limestone. This iron requirement was being met from Red Ochre. The team deliberated on using low grade limestone as a partial replacement of red ochre. We faced initial hiccups, however with continual hard work the issues were addressed and the experiment produced desired results and resulted in significant savings while allowing gainful use of a resource earlier wasted.

Increasing height of Cyclone: As a part of continual innovation, the team carried out deep study of Preheater cyclones and ducts with the objective of reducing the pressure drop. After a number of simulations with different cyclone heights, it was found that increasing the height of Stage 4 Cyclone by 150 mm and Stage 1A & 1B Cyclones by 300 mm will result in smooth flow characteristics and reduction in pressure drop of 25 mm WC & 15 mm WC respectively. The modification has since been carried out.

Power Plant: In order to reduce surface heat loss from kiln shell, we installed a heat exchanger to cover top of kiln on app. 1/3 length and utilise waste heat for boiler feed water generation. In one instance, we replaced high Drum Pressure (DP) elements with low DP elements to reduce drum pressure which resulted in additional steam generation.

Specific thermal energy consumption (Kcal/ kg of Clinker)



In-house designing of protection system: Director General of Mines Safety (DGMS), for protection and safety of dumper and the driver during collisions, mandated installation of tailgate arrangement in dumpers. However, no specific design and measurement were given in guidelines. Being unprecedented, the OEMs were also not able to provide the same. While the industry was grappling with design issues which was interrupting mining operations, our innovative zeal impelled us to move ahead to avoid such interruptions while also ensuring to avoid any non-compliance. Our mining team brainstormed, designed, and fabricated a robust arrangement meeting the requirement at virtually nil cost. DGMS too endorsed our design and arrangement implemented by us.

Extension to township: The quest for building upon abilities are also applied in our regular life. Hence in our Ras township, the team implemented online energy meter system to replace existing manual household meter reading process. It was simpler, saved man-days and was capable of creating several required information.

We at Shree have always been interested in looking at cement manufacturing from the perspective where every single process offers opportunity for improvement and every interdependency is an area of magnifying those improvements. Everywhere within the plant, whether at mining or cement or power, is a playfield for unleashing creativity and innovation to bring out another improvement in any process and enjoy its magnified outcomes.

MARKETING AND DISTRIBUTION

Brand is the Hardest Working Resource

When a person buys a bag of Shree cement, the value he pays is the sum product of the efforts of all involved, from the man on the shop floor to the person who sold it. We have to satisfy his needs each and every time as each such usage is a separate and renewed vindication of his trust.

Our customer centric philosophy puts customer above all. All our processes and operations are designed keeping his requirements and expectations in mind. For us, one tonne customer is as important as an industrial buyer.

As we enter newer geographies, newer segments, we continue to work hard to offer more delight to our customers and meet their trust.

Diwakar Payal,
President (Marketing)

Brand is a tireless hard worker. Unlike other resources, brand never rests. It is constantly creating and recreating value for itself in the minds of people. A good brand has to be necessarily backed by a quality product but the vice versa is not always true. A quality product, for lack of better perception or brand value, may struggle in the market place.

At Shree, we realise that equally important to a good product offering is its perception among the people. Hence, we pay equal attention to the factors at play which decide people's perception about the product. Along with good quality, it entails meeting the diverse requirements of customers, competitive pricing and, in case of product like cement, timely availability.

While price is determined by the forces of demand and supply, our success is determined by our ability to stay closer to customers and cater to their specific needs. Our split grinding units proximate to our key markets along with a deep distribution network, help us serve our customers efficiently. Our marketing strategy is based on a quantitative and qualitative customer segmentation which helps us in acquiring a deeper understanding of our existing and potential customers.

Over the years, we have built a strong network of dealers and distributors to reach target markets which has helped us emerge as a strong brand to reckon with. We have created multiple brands strategy to cater to the requirements of diverse customer requirements.

Satisfying Diverse Customer Demands: Wide Range Catering to all Segments

Our brands 'Shree Ultra Jung Rodhak', 'Bangur Cement' and 'Rockstrong' have, over the years, established a firm presence in the minds of people as a qualitative product with easy availability.

Our two recent offerings of 'Bangur Power' and 'Roofon' were strategically introduced to penetrate and serve niche segments where, to us, existed unfulfilled customer mandate and we sensed opportunity. These brands have received amazing responses from its targeted customers and has quickly been able to fill the gaps in customer needs in our catchment area. Bangur Power serves the premium segment whereas Roofon is specifically created to serve the requirement of premium quality seeking customers looking for specialised product for their roofs.

Bangur Power - A premium offering

Bangur Power, a premium grade cement, has met immediately with strong market acceptance in the market. It has continued its upward swing even in its third year. People continue to seek more of it as reflected in a massive 72% rise in sales volumes last year in an otherwise disrupted market place. This strong traction was driven by our already established brand reputation supported by our deep distribution network.

Roofon - Niche offering

Roofon is a niche category cement for building inner strength in house. It has succeeded in filling the long standing customer need for a cement specifically catering to the long lasting strength requirements of their roofs. It notched up sales of around 1 million-tonne last year.

MARKETING AND DISTRIBUTION CONTD..

Flexibility in Marketing organisation to Ensure Seamless Contact with Customers

Our marketing setup, though large in size, works as a tiny coherent setup. The sales team remains constantly alert to market dynamics. Last year, the pandemic struck external environment underwent a total disruption. Cement demand, was predicted to suffer due to impacted physical meetings. However, the flexibility in the team enabled them to immediately change track and readjust according to surroundings.

Shree strengthened its presence in the digital channel through focused approach and initiated dealer meetings on virtual platforms which helped in streamlining its customer engagement and servicing plans, and helped to get better traction from dealers.

Technical team members were mobilised to sales and marketing team to sharpen focus as also to achieve better manpower utilization. We set up our own marketing network in the Central UP to catch a higher market share.

We swiftly positioned ourselves to take advantage of recovery in the economy. Remaining engaged through virtual meetings with our dealers and customers resulted in Shree witnessing good demand for cement, especially in the rural Indian markets, despite the uncertainties in the market.

Strengthening Dealer Networks and Depots

Company continue to remain focused on strengthening its network of dealers. Transparency with channel partners continued to help maintain healthy relationship. Opening new depots, increasing our catchment area, thrust on leveraging the transport network to improve efficiencies and grow sales are some of the initiatives that have been helping Shree maintain its competitive edge in the markets.

Panipat Grinding Unit

Supply Chain Transformation

In the fast paced world of today, timely availability has acquired the mantle of a key differentiator and primary criteria in creating or improving the perception of the product. We have, therefore, focused on ensuring timely delivery of supplies to earn customer delight. We also believe that all our customers deserve equal efficiency and service. Hence, an essential characteristic of our supply chain structure is that the product should reach the largest as well as the smallest customer with equal efficiency.

In supply chain management the biggest challenge is reducing the Turn Around Time (TAT) for a faster turnaround time. For this it becomes necessary to reduce the lag time during the unloading and loading process, we have successfully implemented a completely automated RPA (Robotic Process Automation) driven process, thereby considerably reducing manpower requirement and TAT. Our Integrated Logistics Management System tracks the trucks from entry to exit. RFID tags are attached with all vehicles which are checked at entry to ensure a smooth navigation within the factory premises. A mechanised weighbridge system aids in system driven process. We have also automated the loading process using automated chute, while multipliers are used for unloading at our locations.

Reducing TAT of Cement Vehicles

At our Suratgarh Grinding unit, it was observed that the cement vehicles were taking around 80 – 90 minutes for coming out of plants from the time they are out from the packing plant. The cycle of events was minutely analysed. It came to light that the major time consuming process is the section where truck carrying cement is covered with tarpaulin and the bag checking process. The team decided to optimise this process.

In order to speed up the process, the team strengthened the people engagement in tarpaulin covering section where the work to cover the vehicle using tarpaulin and ropes takes place. Further, casual movement of the truck drivers who used to move around the area as per their convenience was checked and unnecessary movement stopped. Time taken for bag checking was also minutely analysed and optimised by way of modifications done to the bag checking platform to speed up the work.

Through above efforts, the total TAT of vehicles was reduced significantly.

MARKETING AND DISTRIBUTION CONTD..

Automated Bidding System

We have created an innovative bidding system for competitive freight discovery in our dispatch. The system which, over the last few years, has become a case study in itself and won many awards, is based on a simplistic self-balancing transparent bidding mechanism. It has checks and balances like penalty for unduly driving prices up, and so on, in place. The completely digital hourly biding system provides a robust and seamless mechanism for both our transporters and us. It fits into our system of transparency in operations as also helps us optimise our logistics costs.

Route Optimisation

While route optimising is a regular exercise, we optimally used the lockdown period to thoroughly rework and review our route mechanism across several locations. The least distance between two places and the lowest freight for the same in the recent past was identified. This was further fine-tuned after factoring in all new developments such as new road or addressal of rail crossing etc. The resultant number was used as the benchmark. The new benchmark fare has resulted in a significant saving in our freight costs.

Relay Trucking Model

We have implemented an innovative relay operating model where the lead driver changes over at the major city pit-stop, from where another local driver takeover without any stoppage gap. This facilitates to save time for the driver and also provides him an opportunity to meet and greet his family without any loss of workhours. Such transformation is aiding in giving a sense of organisation to an otherwise unorganised sector.

Proactive Fleet Upgradation

As a proactive team, we are encouraging our supply chain partners to shift towards upgraded fleets in tune with the government move to allow one tonne extra load capacity for each axle for vehicles with pneumatic suspension. These vehicles with better suspension lead to considerable saving in terms of fuel especially on good roads, which is fortunately available on majority of our routes. This will help the transporters in considerable diesel saving and reduce environmental impact while we expect to gain through reduced freight.

Looking for Solutions in Unchartered Places

During Jan-March 2021 due to huge demand across the industry, there ensued an acute wagon shortage and increase in road transportation costs. We stepped up to take this challenge as an opportunity. We met and convinced the Railway authorities to grant us permission for use of DBKM wagons which are used for movement of defence goods and normally remain idle.

The biggest challenge, post the approvals, was making these wagons usable for transportation of cement. These wagons are open and uncovered without any boundary around it to protect cement bags. Further it has chains and holes to tie vehicles, and were double the size of normal wagons used in the industry. We refurbished these wagons using plywood and removed unnecessary items. The goods were then secured with extra customised material. As an added precaution, one team member accompanied the wagons to maintain quality and security of our products. All materials used were recycled to ensure cost-effectiveness and environmental consciousness.

As a result, we were not only able to meet our commitment of timely supply to the market and capture the demand, but also saved on logistics cost in three months period

For us, the sale of our product and all its accompanying supply chain efforts are not merely product movement. It is the movement of the value created in our product by the efforts of all. People at Shree work hard to see that "the customer who buys Shree Cement is always happy for his decision to use Shree".

▸ Shree Raipur Cement Plant

TALENT MANAGEMENT

Taking Care of Daily Inputs

At Shree, the underlying belief system is that if you take care of the daily inputs, the monthly, yearly and long term are taken care of. Like filling the jar every day. Daily practice, like daily exercise, is what can always keep one fit to survive and succeed. It ensures systematic focus by making little daily targets, aligned with long-term objectives, and its successful completion.

Whatever talent one possesses, it has to be put to work daily, refined perpetually and tested continuously. It is this hard but gratifying daily sharpening of abilities which ensures that one remains fit to contest and succeed in this competitive environment. We underpin the principle of accountability and ownership to encourage our employees to be partners in every step of our journey. Our diverse team of skilled and engaged employees always put thrust on enjoying their day on daily basis.

In the year gone by, our daily input based work practice ensured that we were not taken by surprise by the sudden change in the surroundings. As the way, the world changed all over and there was absolute uncertainty of when work will be back to where it was, the team at Shree swiftly adapted to the new reality without requiring a systematic work culture overhaul. Taking control of daily inputs unfazed by surrounding environment favourably changed results. Our performance sheets in the last year bears testimony to the above.

Attracting and Retaining Talent

In the time of the pandemic, talent acquisition process was moved to the virtual platform. The entire approval process was also digitised which helped us significantly bring down the cost of recruitment. Moving interviews from in person to virtual also improved candidate experience, since it saved travel time. We now continue to practice this process virtually almost in its entirety.

On boarding Resources

Our capability to on-board pertinent resource which fit in our organisation culture and have the right experience and skill set is critical to our success. We intensely evaluate each candidate during the recruitment and interview process to ensure that their aspirations and values collaborate with our goals, values and requirements.

Learning

Our HR support teams pivoted from 100% classroom to 100% online within 10 days of the COVID induced lockdown. We launched the AI based learning platform STEPS. We also launched focused development initiatives to develop our managerial team to help them adapt to the new normal. Number of training programmes conducted increased by 59%.

Training and Development

We believe that investment in people development is an investment in our future and fostering our employee capabilities will help them deliver consistent results. We therefore empower our people by providing them a platform to hone their skills and expertise. We regularly conduct numerous training and development programmes on various subjects across all our plants and offices. This year we tied up with the digital platform EDCAST™ to enable virtual training sessions for all our employees. Our training programmes include health and safety training to development activities designed on the basis of the capabilities and requirements of the employees identified during reviews at various levels of the organisation. Our leadership in the industry rests on the diverse and versatile talent pool of our people, their abilities and skillsets built over the years.

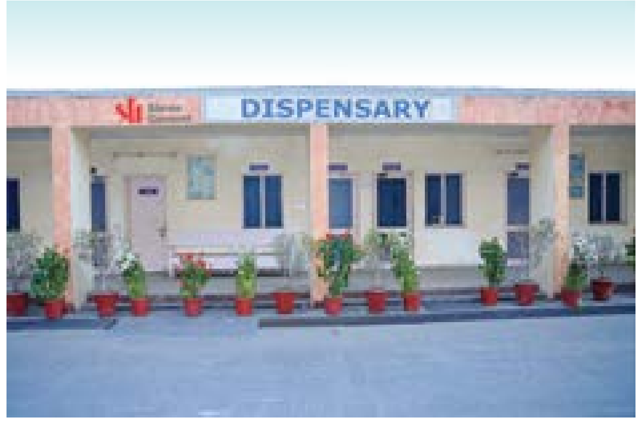
We believe that proactive creation of an internal talent pipeline and nurturing them is vital for business continuity. Keeping this in view, our talent mobility policy provides our people an opportunity to explore different horizons across functions and geographies duly supported by a robust system and process including internal job postings.

Average training hours

FY21	20.65
FY20	13.53

53% increase

TALENT MANAGEMENT CONTD..



Health & Safety Foremost

Prioritising employee Health and Safety (H&S) is a non-negotiable requirement for us, and part of our value system. Amidst an unprecedented COVID related crisis, the biggest challenge of the year was maintaining employee health and safety along with business continuity. We calibrated our efforts to provide a safe living and working environment for everyone. Our employees showed tenacity and agility in adapting to the evolving situation. Spanning multiple levels and areas, these interventions are designed to encourage safe behaviour, increase best practice and nurture a safety culture amongst all our stakeholders. Our core focus area remains having injury free employees, along with continuous monitoring of health for early identification and mitigation of any risk. We further undertook multiple initiatives to structure our response and maintain safety of our employees.

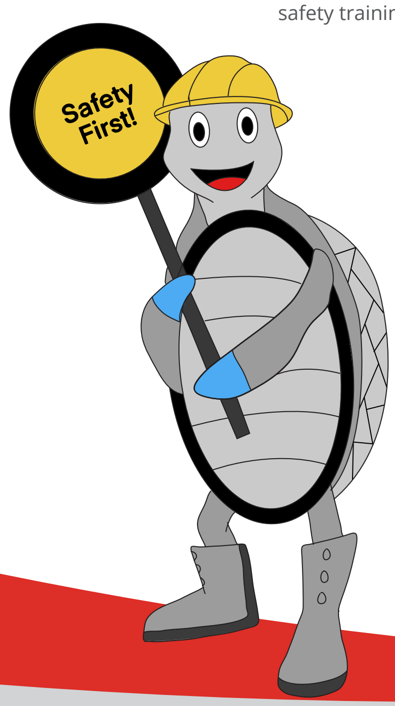
- **Oxygen Support for Employees and their Families:** In the times of acute shortage of Oxygen, we ensured availability of oxygen for all our employees and their family members across India.
- **Specific Insurance Coverage:** Corona Kawach- a COVID specific insurance cover of ₹2.5 lacs has been given to all employees across all designations, effective August 2020. This is in addition to the regular Mediclaim policy and Life insurance policy.

Employee Wellness

There was a looming threat of the COVID-19 virus affecting people both mentally and physically. Attending to health issues of our people and their well-being was of paramount concern. We conducted programmes for employees and their families covering all aspects of well-being – Physical, Mental, Spiritual, and Cognitive. The programmes on staying fit at home, managing anxiety, managing stress, yoga, pranayama, heart health, COVID prevention and post COVID care etc., were conducted by industry experts. The in-house coach also conducted virtual exercise classes encouraging people to stay fit during these tough times.

13,057
Man-hours EHS trainings

47.19%
Participated in health & safety trainings



People Recognition, Our recognition

While the everyday work challenge and zeal to excel is a key motivator in our organisation, we deem that recognition of the hard work of employees and efforts are essential for building a constructive environment and providing motivation. We have a recognition system to acknowledge and encourage efforts of our employees across our units. Exemplary work is rewarded and appreciated on occasions such as Independence Day based on a nomination and review system. This recognition breeds satisfaction and in turn leads to high recognition for the Company in the external world. We ensured that pecuniary benefits to our employees remain unaffected by the external shocks and they receive commensurate growth in the benefits vis-à-vis performance achieved.

In the year, anonymous surveys that were administered on randomly selected sample of employees and conducted to check employee pulse on the ground along with the Great Place To Work survey, saw nearly 99% participation by our people. The results of which decided our ranking among other industries. Our effort was reflected in the performance of the Company in the Great Place To Work survey. We were certified as a Great Place to Work for the third time by GPTW India and were recognised as Best in Cement and Building Materials.

96.46%
Retention Rate

8.49 YEARS
Average employee experience with Shree

TALENT MANAGEMENT CONTD..

Conducive Work Environment

A conducive work environment enables an employee to make whole-hearted efforts to achieve and deliver on committed goals. At Shree, we have built a unique 'Shree Family' culture where different members of different teams and functions bring their efforts together for strengthening the collective performance. A combination of motivated employees and a working environment that helps unleash their potential and has ensured that our employees grow together with the growth of the organisation. Our working culture does not follow age or experience barometers. In fact, we trust people at a young age to take up higher responsibilities. It creates a sense of empowerment and zeal to deliver on the given responsibility. Such continuous grooming and exposure to different responsibilities help us identify potential performers and future leaders.

Human Rights

We believe it is a fundamental right of every human being to work in a conducive work environment. Our human rights philosophy applies to all our stakeholders and we have mandatory systems in place to ensure its compliance at all levels. We conduct awareness programmes internally and through third-party consultants at regular intervals.

Overall Experience

Today, employees look forward to an overall involvement where they can use their skills and work to win the world. We have an open communications channel where each employee can engage and contribute to our business strategy, and we conduct regular interactions within the organisations encouraging two-way communications.

We believe in providing our employees long-lasting experience in their minds and hearts as to facilitate an unhindered contribution. In year 2020-21 when infectious pandemic mandated social distancing, we developed an in-house mobile application SPARQ for the benefit of our employees. This application facilitated all work-place related details, information and activities in virtual manner for our employees.

Fair and Ethical Conduct

Our Code of Conducts explicitly references to our commitment to be an equal opportunity employer and creating an inclusive work environment. We believe each employee associated with us should be treated with dignity and respect at all times, and have 'Zero Tolerance' for bullying or harassment in any form. We have pledged to have a non-discriminatory work environment, strengthened by diversity and inclusion at the workplace which is supportive work life policies for employees. We have requisite bodies in place to take judicious action against any violation to our Code of Conduct.

Recognition of our Efforts

- 1st in Health and Wellness category by Society of Human Resource Management, India
- Strong Commitment to HR Excellence by Confederation of Indian Industries
- Certified as a Great Place to Work for the third time by GPTW India
- Best in Cement and Building Materials by GPTW India
- Among Top 30 Companies to Work for in the manufacturing sector by GPTW India
- Among Top 100 Companies to Work for across all sectors by GPTW India

We are constantly working on creating an environment where talent has motivation and attraction to work hard to transform efforts into results. We are putting required enablers in place for our people to deliver high performance on sustained basis.

ENVIRONMENT SUSTAINABILITY

Working hard Today for a Sustainable Tomorrow

Sustainable business practices are like nurturing a seed which requires sustained caring and right proportion of resources to grow. Though hard work and continuous care may appear miniscule in immediate context, it ultimately, in the long-run, turns it into a giant tree.

At Shree, we are extremely mindful of using the right proportion of resources and caring sustainably. We have adopted the triple bottom line approach, which includes environment and social responsibility, to evaluate our performance and value creation. We are relentlessly looking for revolutionary and innovative solutions to reduce our environmental footprint, enhance sustainability into our operations and make prosperity scalable for all.

ENVIRONMENTAL FOOTPRINT

We have a comprehensive Environmental Policy in place, which guides and fortifies our efforts to reduce our environmental impact. We have committed ourselves to Science Based Targets and align our actions to meet the goals which India has committed in Paris Agreement further cementing our commitment to the care for the environment.

Energy Collaboration

Increased collaboration and dialogue across the industry is the key to making a substantial difference towards environmental impact. In this regard, we have collaborated with Global Cement and Concrete Association (GCCA) to advocate sustainable stewardship. We have also collaborated with “Innovandi” – the Global Cement and Concrete Research Network formed by the GCCA to accelerate global collaboration on cement and concrete innovation, an important step in taking action towards climate change.

Leading the Drive towards Renewable Energy

Over the years, we have laid our focus on expanding our renewable energy generation portfolio. Because of our pioneering initiatives and consistent ramp up, our waste heat recovery based power generation capacity has the distinction of being the highest in world cement industry outside China. We have expanded our focus and are now working on building capacity in wind and solar energy space across the country. Our proportion of consumption of clean energy to our total energy consumption is one of the highest in the industry. This is helping us reduce our carbon footprint.

Converting Ecological Challenge to Opportunity

We are constantly experimenting with new concepts to minimize our ecological footprint. At Suratgarh unit, the waste dump in open area was becoming difficult to manage with waste quantity increasing day by day and creating odour problem for surroundings. We looked for a sustainable solution and installed a pipe de-composing system for decomposition of the waste. It provided multifold benefits in terms of converting the waste into manure in 20 days which otherwise takes 2-3 months in conventional method. This is helping us in protecting groundwater quality, avoiding methane production and leachate formation in landfills by diverting organics from landfills to compost, reducing the need of fertilizers and ultimately making manure available for plantation. Thus the challenge of ecological footprint was converted into an opportunity.

Renewable Energy

Total Renewable Energy Capacity (in MW)

March 31, 2021	244
March 31, 2020	234
March 31, 2019	147

Share of renewable energy in total energy consumption (%)

FY21	48
FY20	45
FY19	41

ENVIRONMENT SUSTAINABILITY CONTD..

Water Harvesting

Water management is an important aspect of sustainability into our operations. Recycling waste water, rainwater harvesting, recharging of groundwater, employing water efficient technology and maintaining zero liquid discharge is a focus across all our units. Sustainable water harvesting capacity were created across our mines in the year gone by:

Water Harvesting Initiatives

Ras
We operate our plants in dry regions of Rajasthan where water availability is a challenge for plant operations. To work out a sustainable solution for above, our team brainstormed and identified that there was a huge potential of rain water harvesting in Block-2 of our mines. To materialise the same, we modified the limestone excavation plan and have developed a 7 Lac KL capacity water harvesting pit.

Kodla
Our team excavated a rain water harvesting pond in the plant area of approx. 2.5 Lac KL capacity. Now rain water and water emanating during mining process is channelised and stored in said water harvesting pond.

Baloda Bazar
In year 2019-20, due to heavy monsoon, entire working mine pit was filled with rain water. As a result, wet limestone fed to crushers was jamming the crushers hampering limestone supply to clinker units. The simple solution was to pump out the water outside of the mines. This, however would have resulted in wastage of the accumulated water. Being a key natural source and a priority focus area, our team decided to look for alternatives. Post deliberations, it came up with unique idea of designing and developing a new mining pit alongside the existing pit at a distance of 60 m. The new pit was soon developed and started supplying limestone. Old pit was then used as water harvesting pit with a capacity of 28 Lac KL water. This not only ensured uninterrupted supply of limestone for clinker units, but we could also harvest large quantity of rain water for future use. Further, we are also efficiently transferring the ground water emanating from limestone excavation of new mining pit to old pit providing us a permanent solution of water storage and harvesting.

Hard Work and Dedication Wins

We use one large capacity water reservoir built in mines and other small pits in mines and plant area to store rain-water. Due to sudden downpour of 8-9 inches at Ras in July 2020, huge quantity of water got accumulated in smaller pits. Limited capacity of these small pits would result in wastage of this water due to overflow. We decided to save this water. Only solution was to lay down a pipeline to pump-up the water to main reservoir. The team took the challenge of putting 2.50 km lines of 12 MS inches pipeline for transferring water from pits where nearly 3 Lac KL water got accumulated. The entire line was commissioned in less than 96 hours which was result of tremendous team effort putting 750 man-hours of laborious hard work during heavy rains. Due to this, we were able to transfer more than 2.5 Lac KL of water to our main reservoir which would have otherwise been lost.

Waste Recycling and Disposal

We are aware that we can contribute significantly in addressing the growing risk of waste disposal in an environmentally efficient manner. We, therefore endeavour to conserve natural resources and use alternative resources wherever possible. We have used waste generated by other industries as well as our waste as inputs in our manufacturing process. We are pioneers in replacing natural gypsum with synthetic gypsum.

Alternative Raw Material Consumption (in Million Tonnes)

FY21	9.61
FY20	8.22
FY19	7.66
FY18	7.09

Exploiting Waste for Sustainable Production

A considerable amount of screen rejects/ waste generated during the crushing process of limestone was being dumped and earmarked in the screen waste yard. To utilise this waste, our team worked out the process of manufacturing synthetic gypsum from this waste.

We already have a manufacturing Plant of around 70 TPH capacity for synthetic gypsum production. Another unit is being installed with 100 TPH capacity for utilising the above waste which shall be commissioned by end of the first half of FY 2021-22.

Impact

The process resulted in utilisation of 3.69 Lac tonne waste of limestone in production of synthetic gypsum. We also saved approx. ₹ 200/- per tonne on production of 4.16 Lac tonne of synthetic gypsum and replacing it with natural mineral gypsum.

ENVIRONMENT SUSTAINABILITY CONTD..

Working towards Holistic Community Development

Active participation in contributing towards community well-being and caring for the underserved is seen across our organisation as an integral part of our core business operations rather than a moral and social responsibility. Our people are encouraged to involve themselves in giving back to society in whatever they can in the spirit of caring for the underserved.

We have used our stakeholder engagement model to understand the core concerns and requirements of our communities and accordingly identified key thematic areas for undertaking concrete steps for their overall development.

Responding to the Pandemic

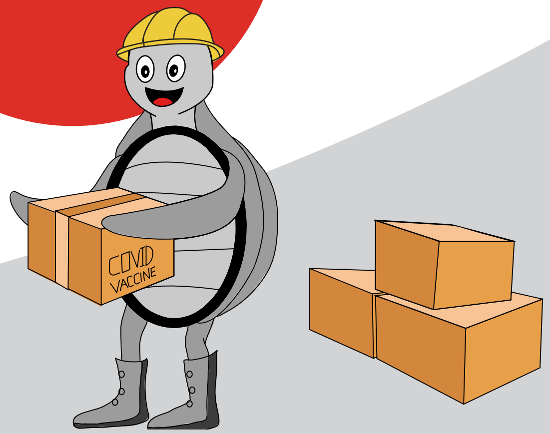
We are committed whole-heartedly in tackling the unprecedented health and humanitarian disruption caused by the COVID-19 pandemic. The various measures taken by us in last year included:

- Contributed ₹ 4.78 Crore to the PM CARES Fund and CM Relief Funds
- Provided around 18,000 refilled oxygen cylinders to the administration from our cement plants in FY 2020-21. Also procured oxygen cylinders from market to supply to local administration
- Provided COVID testing machines and advanced medical equipment to nearby Govt. Hospitals for COVID-19 screening assistance. Also contributed for construction of beds for COVID patients in nearby hospitals
- Provided sanitisers, spray bottles, dry ration, immunity booster medicine, hand gloves, masks, and other PPE's to local administration/panchayat, health workers
- Awareness generation at village level in surroundings of our operating units
- We are also preparing double-layered cloth face masks (re-usable) through specially trained women of nearby villages. Near about 50,000 masks were stitched and distributed

Shree Shakti Yojana

Shree Swasthya Yojana

₹45.73 CRORE
CSR Spent



ENVIRONMENT SUSTAINABILITY CONTD..

Shree Balika Samraddhi Yojana

Shree Khet Baag Yojana

Shree Siksha Yojana

Cementing Homes of those who Fortified the Nation [PROJECT NAMAN]

As an organisation, we feel that there is no way we can repay the debt of those who have laid their lives for us and our nation. Any act we do is insignificant in front of their sacrifice. The least we thought we could do is to contribute to provide house shelter to the dependents of these martyrs. Thus, as a small gesture of gratitude, we have signed a MOU with the Defence Ministry of India to supply cement without any cost for building of the houses of the country's martyrs over the last 20 years.

COVID-19 test machine distribution

We realised early on that working hard towards sustainability and society is good for business. Spending for better environment pays back in the form of good health for our people and improved productivity as well as sustaining the natural resources for our future generations. Support to under-served comes back in the form of availability of skilled manpower, enhanced participation of local people in our business and overall better relations with local community serves for a good work life balance for all.

Sustainability in operations is what creates a long-term successful organisation.

CORPORATE GOVERNANCE

Governance a Catalyst of our Growth

At Shree, Corporate Governance is considered as one of the most important element which catalyses our growth cycle. Accountability of operations and transparency in disclosure helps win trust of stakeholders, which in turn, helps the Company take the next leap forward towards higher growth trajectory. And the cycle continues.

With this culture mind set in place, the Board plays a pivotal role in embedding and sustaining a culture of responsibility as custodians of the stakeholder value-creation.

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders and create maximum value for them.

We constantly review and benchmark our corporate governance practices against global best practices. We consider that our stakeholders trust in us is a derivative of our core values of ethical practices, transparency, and accountability of our operations. We maintain high levels of governance standards backed by our values, ethics and policies and measure our accomplishment in terms of our ability to meet shareholders' aspirations. No wonder, even in a difficult year, our inherent values provided us the shield to absorb external upheaval and continue to create value for all stakeholders.

Custodian of Funds

We have, since inception, considered ourselves as custodian of shareholders' funds. This trusteeship ensured that while we remained conservative with our equity base in financing our growth, we have delivered superior returns to the shareholders. We have delivered an IRR of 27.08% on money invested by shareholders in our IPO in 1985. To illustrate this, One Lac rupee invested in IPO in 1985 would have become rupees Fifty-Six Crore in today's terms. Apart from this staggering capital appreciation, we have consistently increased our dividend payouts since year 2000. We believe ploughing back the earnings in business itself and generating superior returns therefrom which is reflecting in healthy return on capital employed of 18.51%.

The hard work in sustaining this ability to grow in a completely transparent manner has been continuously rewarded by the investor community and reflected in the high premium in our market capitalisation. We are one of the only two pure play cement makers included in the Nifty Fifty index of NSE India Limited.

Transparency

Shree is known to 'Walk the Talk'. Most of our capex projects have been commissioned before target and within budget. This has helped Company deliver high return on investment consistently. Top rating agency of the country CRISIL has reaffirmed its highest ratings of CRISIL AAA/ Stable and CRISIL A1+ in respect of long-term and short-term bank loan facilities taken by the Company. Similarly, CARE has assigned CARE A1+ ratings to our commercial paper issuance. The re-affirmation is testimony to our superior financial planning and sound business principles.

Ethical Conduct

We have policy and guidelines in place for ethical conduct at all levels for the stakeholders. All our operations and activities under our scope, both with internal and external stakeholders, are conducted in accordance with of our Code of Conduct. Stringent adherence of the code of conduct outlines elements such as human rights, equal opportunity, anti-corruption, fair competition is as non-negotiable for everyone who is involved as a stakeholder with the organisation. The policy further stresses on maintaining values, business integrity, accuracy of recording and disclosure, continuously engaging with stakeholders, complying with applicable laws and regulations and fulfilling contractual obligations.

BOARD OF DIRECTORS

Led by Experience and Vision

Shri B. G. Bangur,
Chairman

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

Shri H. M. Bangur,
Managing Director

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

Shri Prashant Bangur,
Joint Managing Director

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

Shri R. L. Gaggar,
Independent Director

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

Shri O. P. Setia,
Independent Director

Shri O. P. Setia is M. Com. from Delhi University and an eminent Banker. He was the Managing Director of State Bank of India and has held many key positions in its associate banks.

Shri Shreekant Somany,
Independent Director

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

BOARD OF DIRECTORS CONTD..

Dr. Y. K. Alagh,
Independent Director

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

Shri Nitin Desai,
Independent Director

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

Shri Sanjiv Krishnaji Shelgikar,
Independent Director

Shri Sanjiv Krishnaji Shelgikar is a Veteran Chartered Accountant and has been practicing his profession since 1978. He has also contributed as Special Editor to the book 'The Companies Act' written by A. Ramaiya. He has worked with the Finance Department of Videocon Group, handling all local IPOs, international mobilisation of debt and equity, global and local mergers and acquisitions, domestic and international structured financial products for the Group's finances. He is on the Board of Joy Holdings Private Limited, Magrolia Leasing and Infotech Pvt. Ltd., Archangel Leasing and Infotech Pvt. Ltd., Yunus Mumbai Foundation, Slum Dwellers Development India Pvt. Ltd., Microcredit Initiative of Grameen, Taegutec India Private Limited, Goldcrest Infotech Solutions Private Limited (formerly known as Micro Housing Solutions India Private Limited), Black Swan Venture Capital Private Limited, Mobile Search Engine Private Limited, NRS Micro Systems Private Limited, Shree Global FZE and Shree International Holding Limited.

Ms. Uma Ghurka,
Independent Director

Ms. Uma Ghurka graduated with a B.Tech degree in Electrical Engineering from IIT, Madras in 1975. She is a seasoned technocrat and a renowned entrepreneur. With a penchant for developing innovative products that find application across major industries to our daily lives, she founded Thermopads group.

With an over 40 years of experience in building and leading business, Ms Uma Gurkha brings with her a rich repertoire of technical and business acumen. She has also been an active member of various professional, entrepreneurship and social organizations. Among several eminent positions held by her she has also been a Non-Executive Director in State Bank of Hyderabad. She was also honored with "Best Woman entrepreneur of the year -1984" by President of India. She is presently Whole Time Director of Thermopads Pvt. Ltd., Managing Director of Thermo Cables Ltd. and director in Thermo Polymers Private Limited, Thermosystems Private Limited & Confederation of Women Entrepreneurs of India.

Shri P.N. Chhangani,
Whole Time Director

Shri P. N. Chhangani is a Chemical Graduate having over 35 years of rich experience in cement and related industries. He was working with the Company as President (Works) and supervising overall cement plant operations of the Company. He is on the Board of Shree Cement Foundation.

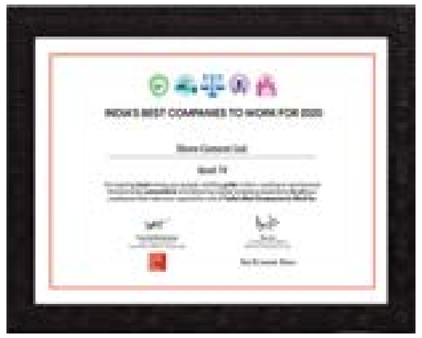
AWARDS AND ACCOLADES

Hard work Reflected

Great place to work in the category of India's 30 Best Workplaces in Manufacturing – 2021 by Great Place to Work© Institute India

Great place to work Certified by Great Place to Work© Institute India

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



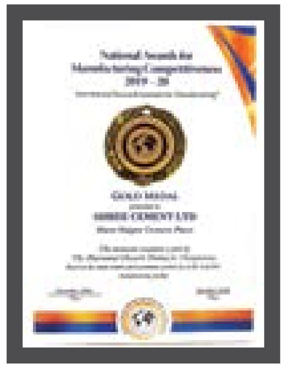
India's Best Companies to Work for 2020 by Great Place to Work© Institute India

SHRM HR Excellence Awards 2020 Certificate of Excellence in Health and Wellness Initiative by SHRM®

CII National HR Excellence Awards 2020 – 21 by Confederation of Indian Industry (CII)

Supply Chain and Logistics Excellence (SCALE) Award 2020 by Confederation of Indian Industry (CII)

State Safety Award – 2021 by Factories & Boiler Inspection Department Rajasthan



National Award for Manufacturing Competitiveness 2019-20 for Company's Raipur Cement Plant by International Research Institute for Manufacturing®

SHRM RH Excellence Awards 2020 Winner - Excellence in Health and Wellness Initiative

KEY PERFORMANCE INDICATORS

Performance Drivers

Operational Metrics

Cement Production (Lac tonnes)

y-o-y growth 9.31% | 5-year CAGR 7.00%

FY21	263.61
FY20	241.15
FY19	250.63
FY18	222.02
FY17	202.87

Clinker Production (Lac tonnes)

y-o-y growth 3.43% | 5-year CAGR 5.81%

FY21	171.25
FY20	165.57
FY19	176.50
FY18	151.34
FY17	136.82

Financial Operations

Revenue from Operations (₹ in Crore)

y-o-y growth 5.75% | 5-year CAGR 11.36%

FY21	12,588.39
FY20	11,904.00
FY19	11,722.00
FY18	9,833.10
FY17	8,594.30

EBIDTA (₹ in Crore)

y-o-y growth 11.82% | 5-year CAGR 9.74%

FY21	4,412.72
FY20	3,946.15
FY19	2,898.22
FY18	2,861.83
FY17	2,874.94

Net Profit (₹ in Crore)

y-o-y growth 47.24% | 5-year CAGR 8.69%

FY21	2,311.93
FY20	1,570.18
FY19	951.05
FY18	1,384.18
FY17	1,339.11

EBIDTA to net revenue from operations (in %)

FY21	35.05
FY20	33.15
FY19	24.72
FY18	29.10
FY17	33.45

PAT Margin (in %)

FY21	18.37
FY20	13.19
FY19	8.11
FY18	14.08
FY17	15.58

y-o-y growth | 5-year CAGR

Note: For the purpose of calculation of 5-year CAGR, the figures for the FY16 has been annualised wherever necessary.

Balance Sheet Analysis

Capital Employed (₹ in Crore)

y-o-y growth 7.57% | 5-year CAGR 16.20%

March 31, 2021	18,325.07
March 31, 2020	17,034.70
March 31, 2019	13,695.50
March 31, 2018	13,369.54
March 31, 2017	9,950.89

Shareholders' fund (₹ in Crore)

y-o-y growth 17.88% | 5-year CAGR 17.37%

March 31, 2021	15,250.07
March 31, 2020	12,936.42
March 31, 2019	9,597.39
March 31, 2018	8,896.83
March 31, 2017	7,698.14

Return on Average Capital Employed (in %)

FY21	18.51
FY20	14.62
FY19	9.82
FY18	16.83
FY17	17.85

Return on Net Worth (in %)

FY21	15.71
FY20	11.77
FY19	9.61
FY18	16.47
FY17	16.75

Key ratios

Debt Equity Ratio (times)

FY21	0.11
FY20	0.20
FY19	0.26
FY18	0.26
FY17	0.07

Current Ratio (times)

March 31, 2021	2.05
March 31, 2020	1.79
March 31, 2019	2.01
March 31, 2018	1.92
March 31, 2017	1.65

Debtors Turnover (days)

FY21	14.09
FY20	25.40
FY19	22.81
FY18	17.05
FY17	14.23

Inventory Turnover (days)

FY21	42.83
FY20	43.78
FY19	49.48
FY18	58.24
FY17	55.83

Shareholder Value Creation

Dividend (₹ per Share)

FY21	60
FY20*	110
FY19	60
FY18	50
FY17**	140

Book Value (₹ per Share)

y-o-y growth 17.88% | 5-year CAGR 16.55%

March 31, 2021	4,226.65
March 31, 2020	3,585.41
March 31, 2019	2,754.92
March 31, 2018	2,553.83
March 31, 2017	2,209.74

Cash EPS (₹ per Share)

y-o-y growth 6.43% | 5-year CAGR 4.99%

FY21	945.68
FY20	888.58
FY19	698.54
FY18	654.47
FY17	694.45

Basic EPS (₹ per Share)

y-o-y growth 43.97% | 5-year CAGR 7.93%

FY21	640.77
FY20	445.08
FY19	273.00
FY18	397.33
FY17	384.39

*includes additional dividend of ₹ 40/- per share
**includes one-time special dividend of ₹ 100/- per share

FIVE YEARS HIGHLIGHTS

OPERATIONAL PERFORMANCE

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Cement Production (Lac MT)	202.87	222.02	250.63	241.15	263.61
Cement and Clinker Sales (Lac MT)	205.86	225.34	258.61	249.24	268.41
Net Power Generation (Lac Kwh)	28,946	25,622	32,536	26,600	16,185
Power Consumption (Kwh/Ton of Cement)	69.99	68.67	69.05	70.54	68.65
Fuel Consumption (Kcal/ kg of Clinker)	718	728	719	721	727

FINANCIAL PERFORMANCE

Profit & Loss Statement

(₹ in Crore except per share data)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Net Revenue from Operations	8,594.30	9,833.10	11,722.00	11,904.00	12,588.39
Other Income	361.77	389.05	245.40	271.62	458.00
Total Net Revenue	**8,956.07**	**10,222.15**	**11,967.40**	**12,175.62**	**13,046.39**
EBIDTA	**2,874.94**	**2,861.83**	**2,898.22**	**3,946.15**	**4,412.72**
Depreciation and Amortisation	1,214.71	899.40	1,391.68	1,699.42	1,139.90
Finance Costs	129.42	135.27	246.98	286.52	247.10
Exceptional Items	-	-	178.13	-	-
Profit before Tax	**1,530.81**	**1,827.16**	**1,081.43**	**1,960.21**	**3,025.72**
Tax Expense	191.70	442.98	130.38	390.03	713.79
Net Profit	**1,339.11**	**1,384.18**	**951.05**	**1,570.18**	**2,311.93**
Cash EPS (in ₹)	694.45	654.47	698.54	888.58	945.68
Basic and Diluted EPS (in ₹)	384.39	397.33	273.00	445.08	640.77

Balance Sheet

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2021
Net Block of Fixed Assets	2,599.12	3,589.18	4,475.67	3,978.67	3,817.71
Shareholders' Fund	7,698.14	8,896.83	9,597.39	12,936.42	15,250.07
Total Capital Employed	9,950.89	13,369.54	13,695.50	17,034.70	18,325.07

Key Ratios

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
EBIDTA to Net Revenue from Operations (%)	33.45	29.10	24.72	33.15	35.05
Return on Net Worth (%)	16.75	16.47	9.61	11.77	15.71
Return on Average Capital Employed (%)	17.85	16.83	9.82	14.62	18.51

PERFORMANCE HIGHLIGHTS (SINCE BEGINNING)

Year			Clinker Production (Lac MT)	Cement Sales (Lac MT)	Net Revenue (₹ in Crore)	Shareholders' Fund (₹ in Crore)	Book Value (₹ per Share)
1985	(8 months)		2.60	2.67	22.01	15.46	10.11
1994-95			8.93	9.27	149.91	88.59	35.99
1995-96			8.88	8.68	176.10	134.87	46.46
1996-97	(15 months)		10.79	11.62	208.95	182.03	52.25
1997-98			14.36	16.62	280.59	190.57	54.70
1998-99			19.45	20.91	372.76	196.54	56.42
1999-00			22.85	23.10	409.68	219.39	60.82
2000-01			21.13	24.00	466.85	247.06	66.61
2001-02	(9 months)		16.25	18.02	333.51	215.61	57.58
2002-03			22.85	27.25	455.69	222.40	63.84
2003-04			22.94	28.41	473.23	251.38	72.16
2004-05			24.83	30.61	582.08	289.49	83.10
2005-06			27.71	32.03	669.39	296.30	85.05
2006-07			35.06	48.33	1,367.98	454.55	130.48
2007-08			46.23	63.34	2,109.12	672.81	193.13
2008-09			64.18	77.36	2,710.63	1,210.02	347.33
2009-10			80.45	92.71	3,632.12	1,833.24	526.23
2010-11			74.65	93.38	3,453.53	1,986.18	570.13
2011-12	(15 months)		102.88	142.06	5,799.52	2,733.93	784.77
2012-13			86.82	122.77	5,590.25	3,843.65	1,103.32
2013-14			98.62	140.66	5,887.31	4,710.87	1,352.25
2014-15			113.18	157.45	6,453.57	5,276.40	1,514.59
2015-16	(9 months)		96.83	141.08	5,513.64	6,845.53	1,965.00
2016-17			136.82	200.73	8,594.30	7,698.14	2,209.74
2017-18			151.34	220.18	9,833.10	8,896.83	2,553.83
2018-19			176.50	248.76	11,722.00	9,597.39	2,754.92
2019-20			165.57	239.46	11,904.00	12,936.42	3,585.41
2020-21			171.25	263.18	12,588.39	15,250.07	4,226.65
GROWTH	Absolute No. of Times	Since Beginning	43.91	65.71	381.29	986.19	417.92
		25 Years	19.30	30.34	71.48	113.07	90.97
		20 Years	8.10	10.96	26.96	61.73	63.45
		10 Years	2.29	2.82	3.65	7.68	7.41
		5 Years	1.33	1.40	1.71	1.67	1.61
	CAGR	Since Beginning	11.08%	12.33%	17.95%	21.11%	18.25%
		25 Years	12.57%	14.62%	18.62%	20.82%	19.77%
		20 Years	11.03%	12.72%	17.91%	22.89%	23.06%
		10 Years	8.66%	10.92%	13.81%	22.61%	22.18%
		5 Years	5.81%	6.95%	11.36%	10.81%	10.04%

Note: Figures for the year 1985 have been annualised for calculation of Absolute No. of Times and CAGR.

Board's Report and Management Discussion and Analysis

Dear Members,

The Directors take pleasure in presenting their 42nd Report and the Audited Financial Statements of the Company for the financial year 2020-21. Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL PERFORMANCE

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

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	**12,588.39**	**11,904.00**	**13,476.33**	**12,868.39**
Other Income	458.00	271.62	466.33	274.40
Total Income	**13,046.39**	**12,175.62**	**13,942.66**	**13,142.79**
Total Expenditure	8,633.67	8,229.47	9,424.95	9,109.29
Profit Before Interest, Depreciation and Taxes (PBIDT)	**4,412.72**	**3,946.15**	**4,517.71**	**4,033.50**
Finance Costs	247.10	286.52	251.29	291.43
Depreciation and Amortisation expenses	1,139.90	1,699.42	1,262.34	1,807.81
Profit Before Tax	**3,025.72**	**1,960.21**	**3,004.08**	**1,934.26**
Tax Expense	713.79	390.03	714.49	390.20
Profit After Tax	**2,311.93**	**1,570.18**	**2,289.59**	**1,544.06**
Profit attributable to Owners of the Company	**-**	**-**	**2,285.87**	**1,535.85**
Profit attributable to Non-Controlling Interest	**-**	**-**	**3.72**	**8.21**

Key highlights of the year (Standalone basis):

- Sale volume (cement and clinker) witnessed an increase of 7.7% to 26.84 million tons in 2020-21 from 24.92 million tons of previous year. This is despite COVID-19 impacting the sale volumes in the early part of the year. Increase in volume was observed across all regions where Company operates. However, increase in cement sales from Kodla unit in Southern India went up significantly from 1.47 million tons to 2.19 million tons.

- Increase in sales volumes led to Revenue from operations growing by 5.7% from ₹ 11,904 crore to ₹ 12,588 crore. Company's continued focus on raising share of its premium products along with continuous efforts to position its brands led to maintaining price realisation.

- **Key Cost components:** Company has a sustained program to drive efficiency and mitigate cost headwinds across various cost items which has made it one of the lowest cost cement producers in the country.

  (a) Raw material: On account of continued optimisation in our limestone mining operations and higher in-house production of gypsum helped mitigate the increase in cost of fly ash and other materials. As a result, raw material cost remained at the same level of previous year.

  (b) Power & Fuel: Increase in share of low cost renewable energy and efficient energy management practices helped the Company reduce its power cost during the year. Company's pro-active procurement strategy and use of multiple fuels coupled with increased usage of alternative fuels helped Company keep fuel cost static despite increasing prices of coal / petcoke in international markets.

  (c) Logistic Cost: Logistics and transportation cost increased mainly on account of increase in diesel prices. Company continues to work on efficiency improvement initiatives, rationalising routes and lead distances, enhancing direct dispatches and raising use of technological tools in supply management etc. to keep the cost under check.

  (d) Finance Cost: Finance cost came down by 13.9% from ₹ 287 crore to ₹ 247 crore on account of repayment of long-term borrowings and efficient working capital management.

- Earnings Before Interest Depreciation and Tax (EBIDTA) rose to ₹ 4,413 crore by 11.8% compared to ₹ 3,946 crore of previous year on account of growth in volumes, higher share of premium products and cost optimisation measures.

Key Financial Ratios

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

Particulars	2020-21	2019-20	% Change	Remarks
Operating Profit Margin (without other income) (%)	31.42%	30.87%	1.77%	No significant change
Net Profit Margin (%)	18.37%	13.19%	39.23%	Improved due to lower depreciation charge
Return on Net Worth (%)	15.71%	11.77%	33.43%	
Interest Coverage Ratio	17.86	13.77	29.66%	Improved due to higher operating profit & reduction in interest cost
Debtors Turnover (Days)	14.09	25.40	-44.54%	Reduced due to efficiency in collection process
Inventory Turnover (Days)	42.83	43.78	-2. 17%	Reduced due to increase in turnover
Current Ratio (Times)	2.05	1.79	14.28%	Improved due to reduction in current maturity of long-term debts
Debt-Equity Ratio (Times)	0.11	0.20	-43.75%	Repayment of Long Term Debts

2. DIVIDEND AND RESERVES

The Board of directors of the Company has recommended final dividend of ₹ 60/- per equity share of ₹ 10/- each for the Financial Year 2020-21. For previous year 2019-20, the Company had paid total dividend of ₹ 110/- per share (which included ₹ 70/- per equity share as normal dividend and ₹ 40/- per equity share as additional dividend). In terms of the provisions of the Finance Act, 2020, dividend shall be taxed in the hands of the shareholders and the Company shall withhold tax at source at the applicable rates.

Total dividend relating to the year 2020-21 amounts to ₹ 216.48 crore as against ₹ 478.47 crore (including dividend distribution tax of ₹ 81.58 crore) for the year 2019-20.

During the year 2020-21, an amount of ₹ 500 crore was transferred to General Reserves.

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

3. MANAGEMENT OUTLOOK OF MACRO ECONOMY AND INDUSTRY

I. Indian Economy-Developments and Outlook

Indian economy faced one of its most challenging years during 2020-21. Lockdown imposed by Central Government to contain spread of coronavirus brought the economic activities to a standstill. Following its six-year low performance of 4.2% in 2019-20, GDP growth expectedly nosedived with sharp contraction of 24.4% (on constant prices) in first quarter which further continued by 7.3% in second quarter of 2020-21. Government of India announced various stimulus measures to generate job opportunities and provide liquidity support to various sectors including construction, infrastructure development and housing. This was subsequently followed by slew of announcements made in the Union Budget of 2021-22 to boost economic growth. The fiscal deficit expansion and thereby creating extra room for investing in infrastructure development with 34.5% increase in the capital expenditure helped improve sentiments. The support provided by RBI in terms of easy liquidity, moratorium of loan recovery and a benign interest rate environment helped push up the consumption. All these measures and pent up demand helped sharp recovery in the economic activities in second half of year 2020-21. Economic Survey 2020-21 also showed a sharp recovery due to resurgence in high frequency indicators such as power demand, rail freight, e-way bills, GST collection, steel consumption, etc. The second advance estimates for year 2020-21 released by National Statistical Office projects a contraction of 8.0% in real GDP growth which came lower than initial assessments. Sector-wise, manufacturing, services and construction were hit while agriculture, government consumption and net exports helped contain the deceleration of growth.

Just as the economy appeared to be inching back to normalcy, India has been hit by a second wave of Covid-19 infections in early April. This time, the Covid-19 has been more infectious. Spiraling cases of infections have overwhelmed the health system in the country. The Government, both at central and state level, are working relentlessly to counter the situation and mitigate its impact. While there is no complete lockdown, the restrictive measures adopted by States have started denting the economic activities. RBI, IMF and various Rating agencies had, in April, projected GDP growth of upwards of 11% for FY 2021-22 have started revising their projection downward to below 10%.

Overall, despite the challenging environment, the growth-story of India remains intact. India remains a preferred investment destination for FDI amidst global asset shifts towards emerging economies. Faster containment of second wave and successful implementation of vaccine program can help faster mitigation of the impact of Covid-19. Proactive and decisive measures taken by governments and policy makers will certainly help kick-off growth bandwagon again and put the economic recovery back on rails. The “Atma-Nirbhar Bharat Abhiyan” (Self-reliant India Mission) which entails greater focus on local manufacturers and service providers will help country reduce its dependence on imports and boost exports thereby giving impetus to economic growth. Further, both the India Meteorological Department (IMD) and Skymet, have predicted a normal monsoon for 2021. Normal rains will offset the demand contraction induced by the pandemic. In view of the above, while there are several favourable factors for positive outlook for the Indian economy for FY 2021-22, the biggest challenge in terms of uncertainty around duration and impact of Covid-19 led restrictions may make such assessment erratic.

II. Cement Industry – Development and Outlook

Cement industry started the year 2020-21 with cement demand witnessing disruption due to suspension of production, stalled construction activities and non-availability of labour due to lockdown. The outlook seemed uncertain with continued extension of lockdown restrictions. With gradual unlocking of economic activities, sentiment started picking up due to pent-up demand specially from rural areas. With enhanced government spending and normalisation of labour availability, the demand from infrastructure segment also witnessed steady pick-up. In later part of the year, Real estate sector also emerged as a major contributor to the demand revival due to increased housing requirement, decline in housing loan rates and stamp duty reduction announced by some States. All in all, year 2020-21 ended on a positive note led by a solid increase in the construction activities across rural and urban areas as well as elevated spending from Governments towards infrastructure projects. While the final data for the cement industry for 2020-21 are yet to come out, considering the momentum witnessed towards the later part of the year, all India cement production is likely to have exceeded the level of approx. 333 million tons recorded in 2019-20.

Cement demand is closely linked to the overall economic growth, particularly of the housing and infrastructure sector. With the GDP growth for FY 2021-22 is projected to be in higher single digit, the cement industry is also expected to achieve healthy growth. The accommodative stance of RBI to push economic growth is incentivising businesses with higher credit offtake and business activities. A benign interest rate policy coupled with “work from home” practice adopted by businesses has led to increased housing construction activities. Also, focus on infrastructure sector and housing for all scheme, shall be the drivers of the demand. In light of the above, while there are continued uncertainties in terms of impact and duration of Covid-19 related restrictions, considering that present Covid-19 infections are likely to peak out soon and economic activities will start returning to normalcy, the outlook for the cement industry is considered cautiously optimistic.

4. NEW / EXPANSION PROJECTS

During the year 2020-21, Company commissioned commercial operations of Clinker Grinding Unit having capacity of 3.0 Million Ton Per Annum (MTPA) at Athagarh Tehsil in Cuttack District of Odisha. The completion of Clinker Grinding Unit of 3.0 MTPA at village Patas in Pune District of Maharashtra has however, got delayed because of Covid-19 and Right of Way issues. The same is now expected to commence commercial production by September, 2021.

Further, Company is setting-up upto 12000 Ton Per Day (TPD) brownfield clinkerisation unit at village Khapradih in Baloda Bazar district of Chhattisgarh. The project activities are running on track and the project is likely to be completed in first half of FY 2022-23.

5. RISK MANAGEMENT

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

The key risks identified by the Company and their mitigation measures are as under:

S. No.	Risks identified	Risk component and mitigation measures
1.	**Over- capacity in the industry**	Continued over capacity in the industry poses risk of under- utilisation of production capacities, loss of market share and output prices falling to non-remunerative levels. As mitigation strategy for this risk, Company has invested in building customer loyalty through consistent high quality products, faster delivery to consumers, focus on premium segment and continued customer engagement. It has also been continuously adding capacity in markets where demand-supply conditions are considered to be relatively favourable so as to increase overall market share.
2.	**Availability of limestone and other natural resources**	Limestone is the principal raw material for cement production and its consistent availability at optimum cost is essential for existing and future plant requirements. With depleting reserves at existing mines and acquisition of new limestone mines getting uncertain due to regulatory and competition issues, conservation of limestone has become paramount. Company has been making all efforts to optimise its usage, thereby, conserving the deposits and enhancing their life. These include use of additives in clinker production without compromising the quality, enhanced production of blended cement, deployment of latest mining techniques to reduce overburden and wastage, etc. Water is an essential component of environment, human life and economy. Company’s plants in Rajasthan are located in water deficient areas with continuously depleting water tables and as such, conserving water becomes very important. In power generation, Company installed Air Cooled Condensers (ACC) in all its thermal power plants which though involve additional capital expenditure, have helped Company reduce water consumption significantly. Additionally, Company has installed Waste Heat Recovery Systems in all its clinker units thereby, eliminating the need for cooling of waste hot gases and thus, saving water. Water harvesting reservoirs have also been constructed within plant and mines area.

S. No.	Risks identified	Risk component and mitigation measures
3.	**Fuel cost**	Company meets its fuel requirement by sourcing from open market and hence is exposed to volatility of market prices of the fuel. As mitigation measures, Company has deployed multi-fuel usage strategy as well as state-of-the-art technology in its operations, which allows it to use different fuels and most economical fuel among a basket of different fuels as per prevailing trends in the market. Company also participates in auction for securing coal linkage as and when organised by relevant authorities. Company has secured coal linkages for its Baloda Bazar cement plant(s). Additionally, to reduce reliance on conventional fuel for power generation, Company has extensively invested in Waste Heat Recovery Power Plants which do not entail usage of any fuel and thereby, cushioning itself from fuel price volatility to that extent. It has also been continuously investing in expanding its renewable portfolio (wind, solar) for meeting its energy requirements.
4.	**Economic slowdown**	COVID-19 pandemic has impacted the business and economy across the world. Restrictions and lockdown imposed in India to contain spread of virus have brought the business activities to a standstill and inducing economic slowdown all across. Company has taken the risks of such external factors into its business strategy and have taken necessary steps in terms of devising plans for mitigating such risk. It has prepared contingency plans such as work from home, enhanced safety measures, strategies for continuity of business and rapid restoration of operations.
5.	**Cyber security**	Owing to increasing importance of digitisation, majority of business activities of the Company have been witnessing digital transformation including logistics, marketing and manufacturing. Significant advantages of digitisation reflect in the form of faster customer servicing, enhanced process efficiency, better controls and speedy decision making. Digitisation is however fraught with risk of misuse of hardware and software, cyber-attacks, unauthorised access, data loss, etc. which can impact business operations. Company has been taking necessary measures like systematic back-up procedures, firewall systems, better monitoring & control mechanism to mitigate any risks arising due to digitisation.
6.	**Climate change**	Global warming and consequent impact in the form of erratic and frequent climate change has emerged as a major risk across globe. This impacts Company's operations also as cement manufacturing is an energy and resource intensive process and releases CO2 due to calcination process and combustion of fuels. Efforts to address climate change by reducing emissions of Greenhouse Gases (GHG) through National, State and regional laws and regulations as well as international agreements will bring about various regulatory requirements impacting the way Company carry out its operations. New legislative or regulatory controls may pose risks which could include costs to purchase allowances or credits to meet GHG emission caps, costs required to procure advanced equipment to reduce emissions to comply with GHG limits or required technological standards or higher production costs. In addition, physical risks arising from extreme weather or high temperatures may impact any manufacturing sector in terms of property damage and disruption to operations. While combating climate change require collaborative and coordinate efforts from all, the Company has been continuously making efforts in this field. Efforts towards conservation of natural resources, enlarging renewable energy portfolio at various plant locations, use of efficient and state-of-art technologies in operations, etc. are testimony to the same. We have integrated sustainability as core to our operations and are thus prepared to meet new regulatory and legislative requirements resulting from climate change risks.
7.	**Health and safety of employees**	Health and safety of our employees and workers remains our utmost priority specially during the pandemic time. To mitigate the risk, the Company continues to work on institutionalising operational discipline particularly observing the safety procedures and protocols, both for employees and workers. Safety Committees have been formed to oversee safety related issues and implementing best safety practices. Wellness Management Centres have been established at plant level to meet any medical emergency requirement and oversee health related issues of the employees. To mitigate COVID-19 related challenge, required protocols and practices have been stringently implemented and compliance is ensured.
8.	**Impact of regulatory changes**	In developing and dynamic economy such as India, regulatory environment keeps on progressing to keep pace the global dynamics in the fields of environment, taxation, competition, governance, etc. Non-compliance of applicable regulations may lead to imposition of penalties, suspension of operations, among others apart from reputational damage. This may also hinder the pace of innovation, upgradation, transformation within the organisation. To mitigate the same, the Company keeps a strict vigil and regularly tracks on the regulatory environment and take necessary actions. Wherever required, it amends/ upgrade its operational practices and incur capex to ensure the compliance.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

7. HUMAN RESOURCES / INDUSTRIAL RELATIONS

In today's fiercely competitive business environment, attracting, retaining and nurturing the best talent is key to attaining the strategic objective of the Company. In this respect, the Company continues to take necessary measures and create a conducive atmosphere for the same. Major initiatives taken during the year were: -

(a) Offline to Online: The process of talent acquisition and learning was made online within 10 days of the COVID-19 induced lockdown in April, 2020. The Company launched AI based learning platform STEPS and used Webex and Zoom platforms to deliver live training programmes. Learning was a focus in this year and average man hours increased by 53%. The interview and selection process which used to be conducted in person have shifted to online platforms and was successfully managed even when volumes increased.

(b) Focus on automation: There has been an increased focus on automation. Multiple HR processes have been automated, thereby bringing in a significant reduction in cycle time and incidence of errors. The focus was SPARQ an app internally developed by the IT team with inputs from HR. It is a one stop solution for all employee queries, leave balance, attendance management, policy related solutions and a lot more. These solutions have been extremely well received within the organisation, and the team is working towards improving it further based on the feedback received.

(c) Health & Wellness: As important as it is in all times, the year gone by showed how important health and wellness of employees are. Company conducted programmes on holistic health and wellness, staying fit at home, mental health, yoga by industry experts etc. The in-house coach also conducted virtual exercise classes encouraging people to stay fit. The efforts were well appreciated when the Company was recognised as a winner in the Health and Wellness category by Society of Human Resource Management, India.

(d) Among India's Best Companies to Work for: The Company's team has been making consistent efforts to make the Company a more receptive, inclusive and employee friendly organisation. Company conducts formal and informal surveys throughout the year to get the pulse of employees. The most important of these is through participation in "Great Place to Work" Survey. Company's scores in the "Great Place to Work" Survey has consistently been at par with the top 100 companies in India. During the year, the Company was again certified as a Great Place to Work continuously for the third time. It was adjudged Best in Cement and Building Materials category, stood among the Top 30 in the Manufacturing and Production sector category and was among the Top 100 Organisations to Work for across sectors.

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

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

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

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

(f) Industrial Relations - Employee relations remained cordial during the year. This has enabled Company to build healthy relationship and resolve issues through dialogue and discussions.

Total number of employees as on March 31, 2021 were 6,259.

8. RESPONSE TO COVID-19 OUTBREAK AND MEASURES TAKEN

COVID-19 has posed an unprecedented health challenge across the globe. Health and safety of Company's employees and of local communities has gained more importance than ever before. On resumption of operations post relaxation of the nation-wise lockdown imposed by Government, several measures were taken by the Company. All prescribed COVID-19 related protocols advised by Government, industry bodies, etc. were immediately implemented and put in place to ensure safe working conditions for employees and workers. Depending upon nature of work, facility of 'work from home' was extended. The Company focused on enhancing use of digital and online mode of working to cater to the changed working environment. For nearby communities, the Company extended its support in form of regular sanitisation, disinfectant sprays, distribution of masks & other hygiene products, creating awareness through boards, banners, etc. Company provided its support for strengthening and upgrading medical facilities in nearby areas and improving working conditions for health workers which included arrangement of oxygen cylinders, ventilators, testing machines and other critical life-savings equipment. Company made financial contributions to Chief Minister Relief Funds of the State of Rajasthan, Chhattisgarh and Karnataka besides contributing to PM CARES fund to augment government resources.

9. SUSTAINABILITY

Sustainability is at the forefront of the Company since inception. It has been Company's constant endeavour to formulate, adopt and continuously improve its business model embracing both sustainability and growth agenda. As part of its sustainability agenda, Company focuses on conservation of environment, natural resources and energy efficiency. Company's operational strategy is built on a long- term commitment to experiment and implement new ideas for improving efficiencies and minimising the use of input resources. During the year, the Company continued pursuing its sustainability agenda with same intensity and rigour. Key notable initiatives in this area were as follows: -

(a) Generation of power from renewable resources – Focus on renewable energy (RE) continues to remain a thrust area in our sustainability agenda. This has helped Company in conserving precious natural resources and mitigating GHG emissions. Over the years, the Company has been steadily ramping up its RE power generation capacity spanning across Waste Heat Recovery (WHR), Solar and Wind power plants. The Company continues to have largest WHR capacity in World Cement Industry excluding China. This apart, in terms of operational efficiency of WHRP, Company is regarded as one of the best in the industry. Its total RE power capacity (including WHR) stood at 255 MW at the end of financial year 2020-21.

(b) Energy Conservation – Energy conservation has been another focus area of the Company. As part of "Perform, Achieve & Trade" (PAT) scheme of the Govt. of India, the Monitoring & Verification Audit for PAT cycle -III (2017-18 - 2019-20) has been completed and the Company has overachieved its targets and thereby entitled to claim 12,623 (Nos) of ESCerts. In PAT Cycle I & II also, the Company had overachieved its targets. The Company was awarded with the 'Best Performer' award for energy saving under PAT Cycle I by Bureau of Energy Efficiency. More details on initiatives taken in the area of energy conservation are given in **Annexure – 3** to this report.

(c) Alternative Fuels and Raw Materials – Company is constantly working on to increase usage of alternative raw materials and fuels in its operations. Company uses of wastes of various industries such as Pharma, Chemical, Sponge Iron as alternate fuel. As alternative raw materials, the Company has been using marginal grade limestone and quarry rejects with high grade material in a cost effective manner.

(d) Water Conservation - Water is increasingly becoming a scarce and precious natural resource. The Company has been working on two-pronged approach of optimising water consumption as well as increasing availability of water through water harvesting and recharging. Company's macro level initiatives in this regard such as installation of Air Cooled Condensers in all its thermal power plants and setting-up Waste Heat Recovery based power plants have been a great success. Micro initiatives include construction of rain water harvesting structures around operating sites and mining area, installation of Sewage Treatment Plants for treating domestic waste water, use of recycled water in operations which help in increasing the availability of water and reduce dependence on ground water. Company is also undertaking a detailed assessment of water flows around its plants to identify potential areas which are most suited for water harvesting and recharge.

(e) Sustainability Reporting - Company released its 16th annual Corporate Sustainability Report for the reporting period 2019-20 titled "Innovative to Survive and Collaborative to Thrive". Company has been advocating its policies and procedures and is proactive in showcasing its unique practices at the global platform. Company has built a strong collaborative approach with its partners such as suppliers, customers, vendors, and many other participating bodies. The said report was prepared in accordance with the "GRI Standards – Comprehensive Option" and assured by an independent certifying agency. The Company has also consistently issued its Business Responsibility Report as part of Annual Report since year 2012-13 disclosing its performance with respect to various Business Responsibility principles.

Company's continued endeavours towards improving productivity and efficiency of all processes, equipment and systems as well optimisation measures have made it one of the most efficient players in terms of energy consumption and resource utilisation. With sustained efforts towards greening its operations, the Company has been able to keep its direct CO2 emission intensity at one of the lowest levels in the cement industry.

10. CORPORATE GOVERNANCE

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

11. BUSINESS RESPONSIBILITY REPORTING

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

12. CORPORATE SOCIAL RESPONSIBILITY

As part of its triple bottom-line approach to its business, Company has always considered the community as its key stakeholder. It believes that the community around its operations should also grow and prosper in the same manner as does its own business. Accordingly, Corporate Social Responsibility is an integral part of the Company's business philosophy. In order to oversee all its CSR initiatives and activities, the Company has constituted a Board level Committee - "Corporate Social and Business Responsibility Committee" (CSBR Committee). The major thrust areas of the Company include healthcare, education, women empowerment, infrastructure support, integrated rural development, etc. which are aligned to the areas specified under Schedule VII to the Companies Act, 2013. The Annual Report on CSR activities of FY 2020-21 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is enclosed at **Annexure-2** and forms part of this report. The CSR Policy of the Company may be accessed on website of the Company at link https://www.shreecement.com/uploads/cleanupload/csr-policy.pdf.

13. SUBSIDIARY COMPANIES

The Company has following subsidiaries:

SN	Name of Subsidiaries	Nature of Interest
1.	Shree Global FZE, Jebel Ali Free Zone, Emirate of Dubai, U.A.E.	Wholly Owned Subsidiaries
2.	Raipur Handling and Infrastructure Private Limited, Baloda Bazar, Chhattisgarh	
3.	Shree Enterprises Management Ltd, Dubai International Financial Centre, Emirate of Dubai, U.A.E.	Step-down Subsidiaries
4.	Shree International Holding Ltd, Dubai International Financial Centre, Emirate of Dubai, U.A.E.	
5.	Union Cement Company, PrJSC, Emirate of Ras- Al-Khaimah, U.A.E.	
6.	Union Cement Norcem Co. Ltd. LLC, Emirate of Ras-Al-Khaimah, U.A.E.	
7	Shree Cement East Bengal Foundation	Subsidiary Company (Incorporated under Section 8 of the Companies Act, 2013)

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

As required under Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, Statement showing the salient features of the financial statements of the Subsidiary Companies in Form AOC-1, forms part of the Consolidated Financial Statements of Company.

14. CONSOLIDATED FINANCIAL STATEMENTS

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

15. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts for the year ended March 31, 2021 the applicable accounting standards have been followed and there are no material departures from the same;
- They have selected such accounting policies, judgments and estimates that are reasonable and prudent and have applied them consistently so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and of the statement of Profit and Loss as well as Cash Flow of the company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis;
- Necessary internal financial controls have been laid down by the Company and the same are commensurate with its size of operations and that they are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

In terms of requirements of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and provisions of Companies Act, 2013, Nomination cum Remuneration Committee of the Board of Directors of the Company specified the manner for effective evaluation of performance of Board, its Committees and Individual Directors. Based on the same, the Board carried out annual evaluation of its own performance, performance of its Committees, Individual Directors including Independent Directors during the year. Company had adopted the evaluation parameters as suggested by the Institute of Company Secretaries of India and Securities and Exchange Board of India with suitable changes from Company's perspective. The performance of the Board was evaluated by the Board on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information flow to Board, functioning of the Board, etc. The performance of Committees was evaluated by the Board on the basis of criteria such as composition of Committees, effectiveness of Committee working, independence, etc. The Board evaluated the performance of individual Director on the basis of criteria such as attendance and contribution of Director at Board/Committee Meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/Committee meetings, etc.

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

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

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

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

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Director retiring by rotation - In accordance with the provisions of the Companies Act, 2013 and Article 112 of the Articles of Association of the Company, Shri B. G. Bangur (DIN: 00244196), Director of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Item seeking approval of members for the same is included in the Notice convening the 42nd Annual General Meeting (AGM). The Board recommends the re-appointment of Shri B. G. Bangur.

Key Managerial Personnel - Shri H. M. Bangur (DIN: 00244329) was re-appointed as Managing Director of the Company for a period of 5 years from April 1, 2016. His tenure as Managing Directors completed on March 31, 2021. The Board of Directors of the Company in its meeting held on January 30, 2021, on the recommendation of Nomination cum Remuneration Committee and after evaluating his performance and considering the Company's growth under his stewardship, approved his reappointment as Managing Director of the Company for five years w.e.f. April 1, 2021 subject to approval of the members.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Secretarial Standard – 2 forms part of the Notice convening the 42nd Annual General Meeting.

Independent Directors - During the year under review, Shri Sanjiv Krishnaji Shelgikar (DIN: 00094311) was re-appointed as Independent Director for second term of 5 years w.e.f. August 5, 2020.

In accordance with Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), each Independent Director has given a declaration to the Company confirming that he/she meets the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

18. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is set out at **Annexure - 3** which forms part of this report.

20. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

21. AUDITORS

I. Statutory Auditors

M/s. Gupta & Dua, Chartered Accountants (Firm Registration No. 003849N) were appointed as Statutory Auditors of the Company, in the Annual General Meeting held on July 31, 2017, for a consecutive term of five years from the conclusion of 38th Annual General Meeting till the Conclusion of 43rd Annual General Meeting. They have given their report on the Annual Financial Statements for Financial Year 2020-21. The Audit Report does not contain any qualification, reservation or adverse remark.

II. Secretarial Auditors

The Board had appointed M/s. P. Pincha & Associates, Company Secretaries as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2020-21. They have submitted their report in prescribed format and the same is enclosed at **Annexure - 5**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

III. Cost Auditors

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of the Company appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur (Firm Registration No. 00024) to conduct the cost audit for the financial year ending March 31, 2022 at a remuneration as stated in the Notice convening the 42nd Annual General Meeting of the members. As required under the Companies Act, 2013, the remuneration payable to cost auditors has to be placed before the Members at a general meeting for ratification. Hence, a resolution seeking ratification of remuneration by the Members, payable to the Cost Auditors forms part of the Notice of the ensuing 42nd Annual General Meeting.

The Cost Auditors are in process of conducting the audit of cost records for year 2020-21 and shall submit their report in due course.

22. OTHER DISCLOSURES

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

(b) Details of Meetings of Board and its Committees: The Board of Directors of your Company met 4 times during the year to deliberate on various matters. The meetings were held on May 8, 2020, August 10, 2020, November 11, 2020 and January 30, 2021. Further, details are provided in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

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

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

(e) Particulars of Contracts or Arrangements with Related Parties: All Related Party Transactions during the financial year 2020-21 were on arm's length basis and in ordinary course of business. They were all in compliance with the applicable provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). All such transactions are placed before the Audit and Risk Management Committee for review/approval. The necessary omnibus approvals have been obtained from Audit and Risk Management Committee wherever required. There were no material Related Party Contract/Arrangement/Transactions made by the Company during the year that would have required Shareholders' approval under provisions of Section 188 of the Companies Act, 2013 or of the Securities Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Company has adopted a Related Party Transactions Policy duly approved by the Board, which is uploaded on the Company's website & may be accessed at link https://www.shreecement.com/uploads/cleanupload/related-party-transaction-policy.pdf.

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

Name of the Entity	% Holding in the Company	Amount (₹ Cr.)	Nature of Transaction
Shree Capital Services Ltd.	24.90%	0.27	Payment of Office Rent

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

(g) Vigil Mechanism/ Whistle Blower Policy: The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee. The whistle blower policy may be accessed on the website of the Company at link https://www.shreecement.com/uploads/cleanupload/whistleblower-policy.pdf.

(h) Remuneration Policy: Company firmly believes in nurturing a people friendly environment which is geared to drive the organisation towards high and sustainable growth. Each and every personnel working with Company strives to achieve the Company's vision of being the best in the industry. Its remuneration policy is therefore designed to achieve this vision. The policy has been approved by the Board on the recommendation of Nomination cum Remuneration Committee. The policy is applicable to Directors, Key Managerial Personnel and other employees. The policy provides that while nominating appointment of a Director, the Nomination cum Remuneration Committee shall consider the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate the Directors for delivering high performance. The Remuneration Policy can be accessed on the website of the Company at link https://www.shreecement.com/uploads/cleanupload/remuneration-policy.pdf.

(i) Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace: The Company has complied with the provisions of the constitution of the Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Company has formed an 'Internal Complaints Committee' for prevention & redressal of sexual harassment at workplace. The Committee has four members and is chaired by a senior woman member of the organisation. The Company has not received any complaint of sexual harassment during the financial year 2020-21.

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

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

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

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

23. ACKNOWLEDGEMENT

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

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Dubai
Date : May 21, 2021

ANNEXURE TO BOARD REPORT

Annexure-1 to the Board's Report

Independent Auditors' Certificate on Corporate Governance

To,
The Members of
Shree Cement Limited

1. We, Gupta & Dua, Chartered Accountants, the Statutory Auditors of Shree Cement Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing (Obligation and Disclosure requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

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

Auditors' Responsibility

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

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

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

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

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

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

Place: New Delhi
Date: May 21, 2021
UDIN: 21085323AAAABS6078

Mukesh Dua
Partner
Membership No.: 085323

Annexure-2 to the Board's Report

Annual Report on Corporate Social Responsibility Activities

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

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

Company follows a balanced growth model where economic growth walks hand in hand with care for the society. By following triple bottom line approach, the Company has pledged to have a positive impact on society through its business, realising its corporate social responsibility and management philosophy at the same time. The projects / activities undertaken by the Company in the field of Corporate Social Responsibility fall within the broad framework of Schedule VII to the Companies Act, 2013 which *interalia* include education, healthcare, sustainable livelihood, women empowerment, rural and infrastructure development, environment protection, support widows/ dependents of martyrs of arm forces and promotion of art & culture, epitomising a holistic approach to inclusive growth.

2. **Composition of CSR Committee**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri O. P. Setia	Independent Director – Chairman of CSR Committee	1	1
2.	Shri Prashant Bangur	Jt. Managing Director – Member of CSR Committee	1	1
3.	Shri Nitin Desai	Independent Director – Member of CSR Committee	1	1
4.	Shri Sanjiv Krishnaji Shelgikar	Independent Director – Member of CSR Committee	1	1
5.	Ms. Uma Ghurka	Independent Director – Member of CSR Committee	1	1
6.	Shri P N Chhangani	Whole Time Director – Member of CSR Committee	1	1

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

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

https://www.shreecement.com/uploads/investors/shareholder/composition-board-committees.pdf

CSR policy of the Company is available at its website at https://www.shreecement.com/uploads/cleanupload/csr-policy.pdf

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

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

There are no projects undertaken or completed after enactment of Companies (Corporate Social Responsibility Policy Amendment) Rules, 2021 i.e. 22/01/2021, for which the impact assessment report is applicable in terms of sub-rule (3) of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended). The Company shall initiate steps to conduct impact assessment of CSR projects through an independent agency from financial year 2021-22, for the applicable projects.

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
NIL			

6. **Average net profit of the company as per section 135 (5)** — The average net profit of the Company for the last three financial years calculated in terms of Section 198 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is ₹ 2,242.22 crore.

7. **(a) Two percent of average net profit of the company as per Section 135 (5)** — ₹ 44.84 crore

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

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

   (d) Total CSR obligation for the financial year (7a+7b-7c) — ₹ 44.84 crore

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

Total amount spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore): Total amount transferred to Unspent CSR Account as per Section 135 (6)		Amount Unspent (₹ in crore): Total 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
45.73	NIL	-	-	NIL	-

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

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

   (c) Details of CSR amount spent against other than ongoing projects for the financial year — As Annexed (amount spent is ₹ 43.49 crore)

   (d) Amount spent in Administrative Overheads — ₹ 2.24 crore

   (e) Amount spent on Impact Assessment, if applicable — NIL

   (f) Total amount spent for the Financial Year (8b+8c+8d+8e) — ₹ 45.73 crore

   (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the company as per Section 135 (5)	44.84
(ii)	Total amount spent for the Financial Year	45.73
(iii)	Excess amount spent for the financial year [(ii) – (i)]	0.89
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)	0.89

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any: Name of the Fund	Amount (in ₹)	Date of transfer	Amount remaining to be spent in succeeding financial years (in ₹)
NIL							

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

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹))	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project -Completed/ Ongoing
NIL								

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

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

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

H. M. Bangur
Managing Director
DIN: 00244329
Place: Dubai

O. P. Setia
Chairman – Corporate Social and Business Responsibility Committee
DIN: 00244443
Place: New Delhi

Date: May 21, 2021

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (₹ in crore)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Organising health camps, running health management centres, running mother & child healthcare programs, developing sanitation facilities and raising awareness, support to victims of natural disasters & accidents and expenses on COVID-19 mitigation and relief measures	**Item (i):** Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	Rajasthan, Uttarakhand, Chhattisgarh, Haryana, Bihar, Uttar Pradesh, Karnataka, Jharkhand, Odisha, Maharashtra, Gujarat	Ajmer, Pali, Jaipur, Jhunjhunu, Alwar, Sriganganagar, Roorkee, Baloda Bazar, Panipat, Aurangabad, Bulandshahr, Kalaburgi, Seraikela-Kharsawan, Cuttack, Pune, Bhuj	4.99	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
2.	Water supply through tankers and construction/ repair/ renovation of water tanks, hand-pumps	**Item (i):** Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Jharkhand, Haryana, Karnataka	Ajmer, Pali, Alwar, Baloda Bazar, Bulandshahr, Panipat, Kalaburgi, Seraikela-Kharsawan	0.27	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
3.	Support for improved agriculture yield, distribution of high quality seeds and agriculture equipment to farmers	**Item (ii):** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan, Haryana	Ajmer, Pali, Alwar, Panipat	0.37	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
4.	Financial assistance, civil works, furniture & fixtures, education material, sanitation facilities, uniforms, etc. in govt. schools, celebration of national days, imparting computer education and training, financial assistance to needy students, company run schools and Shree Ki Pathshala project	**Item (ii):** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan, Uttarakhand, Chhattisgarh, Haryana, Uttar Pradesh, Karnataka, Jharkhand, Odhisha, Maharashtra	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Roorkee, Baloda Bazar, Panipat, Bulandshahr, Kalaburgi, Seraikela-Kharsawan, Cuttack, Pune, Aurangabad (MH), Mathura	4.75	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
								Jan Jagrati Sevarth Sansthan*	-
								Aundh Shikshan Mandal*	-
								Shreeyansh Pratishthan*	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (₹ in crore)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
5.	Skill enhancement trainings for masons, programs on consumer education and awareness, training and internship programs for students, on-site training to ITI pass outs	**Item (ii):** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan, Bihar, Chhattisgarh, Haryana, Uttar Pradesh, Karnataka, Delhi, Punjab	Ajmer, Pali, Aurangabad, Baloda Bazar, Panipat, Kalaburgi and various other districts of respective States	3.14	Yes	-	-
6.	Support for marriage of BPL girls of marginalised communities, financial assistance on birth of girl child, training and skill development of rural women and formation of SHG for undertaking entrepreneurial activities	**Item (iii):** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Rajasthan, Uttarakhand, Chhattisgarh, Haryana, Karnataka, Jharkhand	Ajmer, Pali, Roorkee, Baloda Bazar, Panipat, Kalaburgi, Seraikela-Kharsawan	0.34	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (₹ in crore)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
7.	Basic facilities, security and medical services to old-aged people, distribution of essential items, food, etc. to needy people on various occasions and ad-hoc basis	**Item (iii):** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Chhattisgarh, Haryana, Karnataka, Jharkhand, West Bengal, Odisha, Maharashtra, West Bengal, Delhi, Madhya Pradesh, Punjab, Telangana, Gujarat,	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Roorkee, Aurangabad, Bulandshahr, Baloda Bazar, Panipat, Kalaburgi, Seraikela-Kharsawan, Kolkata, Cuttack, Pune, Mumbai, Ujjain, Bhatinda, Hyderabad, Mehsana and various other districts of respective States	4.64	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust The Bengal Chetna Welfare Foundation*	CSR00000358 CSR00000583 -
8.	Tree plantation in schools and nearby areas, green belt development, nurturing and maintenance of plants and saplings, support for livestock management program, construction of feed managers for farming cattle	**Item (iv):** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Chhattisgarh, Haryana, Karnataka	Ajmer, Pali, Jaipur, Alwar, Sriganganagar, Roorkee, Bulandshahr, Baloda Bazar, Panipat, Kalaburgi	1.61	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the Project**		**Amount spent for the project (₹ in crore)**	**Mode of implementation Direct (Yes / No)**	**Mode of implementation – Through implementing agency**	
				State	**District**			**Name**	**CSR Registration Number**
9.	Support for rural cultural programs, festivals and melas, development works at various social and religious places/ institutions of nearby areas, contributions for various events to promote art, music, dance, literature, poetry, etc. and support to institutions of repute engaged in activities in line with the CSR policy	**Item (v):** Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Yes	Rajasthan, Uttar Pradesh, Chhattisgarh, Haryana, Karnataka, Jharkhand, Odisha, Maharashtra, West Bengal, Bihar	Ajmer, Pali, Jaipur, Bulandshahr, Baloda Bazar, Panipat, Kalaburgi, Seraikela-Kharsawan, Cuttack, Pune, Kolkata, Aurangabad, Jhajjar	9.00	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust Prabha Khaitan Foundation Rajasthan Forum Ess Bee Consultants*	CSR00000358 CSR00000566 CSR00000646 -
10.	Project Naman – providing cement to dependents of martyrs of armed forces for construction of house	**Item (vi):** Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows	Yes	Project covers beneficiaries all across India		0.09	Yes	-	-
11.	Assistance and support in organising local sports, conducting sporting tournaments in schools and nearby areas, distribution of sports equipment to students and needy	**Item (vii):** Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports	Yes	Rajasthan, Chhattisgarh, Haryana, Karnataka, Jharkhand	Ajmer, Pali, Sriganganagar, Jhunjhunu, Panipat, Baloda Bazar, Saraikela Kharswan, Kalaburgi	0.36	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
12.	Contribution to PM CARES Fund for utilisation for COVID-19 management	**Item (viii):** Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women	NA	-	-	0.61	Yes	PM CARES Fund	-
13.	Construction/ repair of roads in nearby villages, construction, repair and maintenance of various community assets, infrastructure support/ facilities development in Govt. institutions, providing construction material for various structures/ buildings	**Item (x):** Rural development projects	Yes	Rajasthan, Uttarakhand, Uttar Pradesh, Chhattisgarh, Haryana, Bihar, Karnataka, Jharkhand, Odisha, Maharashtra, Andhra Pradesh	Ajmer, Pali, Alwar, Jaipur, Sriganganagar, Jhunjhunu, Roorkee, Bulandshahr, Baloda Bazar, Panipat, Aurangabad, Kalaburgi, Saraikela Kharswan, Cuttack, Pune, Guntur	13.32	Yes (programs under this head are undertaken directly as well through implementing agencies – Refer details of implementing agencies in column 8)	Shree Foundation Trust	CSR00000358
	TOTAL					**43.49**			

*CSR registration number are of agencies with continued projects

Annexure-3 to the Board's Report

[Pursuant to Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

(a) Steps taken or impact on conservation of Energy

- Installation of Kiln shell heat recovery system.
- Modification of Cyclone dip tube to reduce fan power consumption.
- Installation of new dynamic water injection spray nozzle in VRMs.
- Installation of online analyser PSD system for better monitoring.
- Optimisation of grinding media, including size and quantity to reduce power consumption.
- Installation of local furnace to meet heat requirement in VRMs.
- Additional cyclone installation in RP Ball Mill circuit to enhance productivity.
- Bag house modification of coal mill to reduce pressure drop across fans.
- Reduced Cooler fans power consumption through fan outlet duct modification.
- CFBC Boiler ID fan efficiency improvement by cone clearance reduction and sealing to reduce auxiliary power.
- Replacement of AQC Boiler for improvement of waste heat utilisation and reduced DP for Fan Auxiliary optimisation.
- Pressure drop in feed water system is identified by velocity profile basis, to reduce the power consumption.
- Smaller compressor is utilised during partial operation of Raymond Mill to reduce auxiliary Power.
- Lime blower efficiency increased by reducing cone clearance to reduce auxiliary power.

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

- Installed Renewable Energy Power Plants at various plant locations.
- Established waste heat recovery based power plants for generation of power through Waste heat recovery system.
- Installation of AFR feeding system in kiln and cement mill.
- AFR discharge chute modification for maximum utilisation of heat.
- Use of industrial waste.

(c) Capital investment on energy conservation equipment's: ₹ 81.54 crore

(B) Technology Absorption

(i) Efforts made towards technology absorption

- Installed advanced process control system for better productivity.
- Modifies preheater fan casing based on CFD study to reduce pressure drop.
- Mill duct modification based on CFD study to reduce pressure drop.
- Top stage cyclone modification to reduce pressure drop.
- Developed In-house Energy management system on existing Distributed control system to monitor Power plant performance on screen
- The Company has leading research & development centres at Beawar and Ras, both of which are recognised by Department of Science & Industrial Research (DSIR), Government of India. It makes continuous efforts towards adoption and implementation of new technologies, which assist in reducing the Company's carbon footprint.
- Company's officials participate in various national and international seminars on technology up-gradation, adaptions & innovation and share knowledge at various global forums at National & International platforms.

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

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

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

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

(iv) Expenditure incurred on Research and Development

(₹ in Crore)

Particulars	2020-21			
	Beawar	Ras	Other Units	Total
Capital	0.39	2.30	3.63	6.32
Revenue	4.84	8.40	8.30	21.54
Total	**5.23**	**10.70**	**11.93**	**27.86**
Total R&D Expenditure as a % of Turnover				**0.22%**

(₹ in Crore)

Particulars	2019-20			
	Beawar	Ras	Other Units	Total
Capital	-	29.17	2.59	31.76
Revenue	4.14	6.23	6.27	16.64
Total	**4.14**	**35.40**	**8.86**	**48.40**
Total R&D Expenditure as a % of Turnover				**0.41%**

(C) Total Foreign Exchange Earning and Outgo

(₹ in Crore)

Particulars	2020-21	2019-20
Earned	23.28	6.57
Outgo	1,271.99	1,317.50

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Dubai
Date : May 21, 2021

Annexure-4 to the Board's Report

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

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21, the percentage increase in remuneration of each Director, Chief Finance Officer and Company Secretary during the financial year 2020-21 are as under:

Sl. No.	Name of Director / KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in the remuneration for the Financial Year 2020-21
1	Shri B.G. Bangur* - Chairman (Non-Executive)	-	-
2	Shri H.M. Bangur - Managing Director / KMP	727.8	11.6%
3	Shri Prashant Bangur - Jt. Managing Director / KMP	386.2	19.1%
4	Shri P.N. Chhangani - Whole Time Director / KMP	78.6	15.1%
5	Shri R. L. Gaggar - Independent & Non-Executive	6.6	32.3%
6	Shri Shreekant Somany - Independent & Non-Executive	6.4	29.9%
7	Shri O.P. Setia - Independent & Non-Executive	6.6	23.5%
8	Dr. Y.K. Alagh - Independent & Non-Executive	6.6	32.3%
9	Shri Nitin Desai - Independent & Non-Executive	6.4	24.1%
10	Shri Sanjiv Krishnaji Shelgikar - Independent & Non-Executive	6.3	24.6%
11	Ms. Uma Ghurka - Independent & Non-Executive	5.9	41.5%

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

1	Shri S. S. Khandelwal Company Secretary	Not Applicable	9.4%
2	Shri Subhash Jajoo Chief Finance Officer	Not Applicable	8.8%

* Shri B.G. Bangur, Chairman of the Company had expressed his willingness to discontinue receiving payment of sitting fee and Commission from the financial year 2020-21 & onwards.

ii. The percentage increase in the median remuneration of Employees in the Financial Year:
There was 1.20% increase in the median remuneration of employees during 2020-21.

iii. The No. of Permanent Employees on the rolls of Company:
No. of Permanent Employees on the rolls of the Company as on March 31, 2021 were 6,259.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 7.96% whereas the increase in the managerial remuneration was 14.17%. The remuneration of Working Directors is decided based on Industry trend, remuneration package in other comparable Corporates, Job contents, key performance areas and Company's performance.

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

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196

Place: Dubai
Date : May 21, 2021

Annexure-5 to the Board's Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended on March 31, 2021
{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

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

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

Based on my verification of Shree Cement Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

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

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

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

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

(vi) Company has complied with the following laws applicable specifically to the Company:

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

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

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

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

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

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

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

I further report that, during the year under review:

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

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

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

I 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.

I further report that during the audit period the company has obtained permission of Members through Postal Ballot on January 9, 2021 to approve advancing loan(s) to, and/or giving corporate guarantee in connection with any loan taken by, the Company's Subsidiaries/Associates/Group Entities upto an aggregate limit of ₹ 100 Crores (Rupees One Hundred Crores).

For **P. Pincha & Associates**
Company Secretaries
Firm's P.R. Certificate No. 841/2020

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Date: May 1, 2021
Place: Jaipur
UDIN: F005369C000224159

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

Annexure-A to the Secretarial Audit Report

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

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

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

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

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

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

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

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

For **P. Pincha & Associates**
Company Secretaries
Firm's P.R. Certificate No. 841/2020

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Date: May 1, 2021
Place: Jaipur
UDIN: F005369C000224159

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26943RJ1979PLC001935
2.	Name of the Company	Shree Cement Limited
3.	Registered address	Bangur Nagar, Beawar –305901, District: Ajmer, Rajasthan
4.	Website	www.shreecement.com
5.	E-mail id	shreebwr@shreecement.com
6.	Financial Year reported	April 1, 2020 to March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	**Group** 239; **Class** 2394; **Sub Class** 23941, 23942; **Description** Manufacture of clinker and cement *[Source: National Industrial Classification Code (NIC)]*
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement
9.	Total number of locations where business activity is undertaken by the Company	**a. Number of International Locations (provide details of major 5):** Company operates in United Arab Emirates through its subsidiaries. **b. Number of National Locations:** Operative cement plants at 13 locations, Registered office, Corporate office and marketing offices
10.	Markets served by the Company	Local ✓; State ✓; National ✓; International ✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

1.	Paid up Capital	₹ 36.08 Crore
2.	Total Turnover	₹ 12,588.39 Crore
3.	Total profit after taxes	₹ 2,311.93 Crore
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.04% of average net profit of last three financial years computed as per Section 198 of the Companies Act, 2013 (CSR spent is ₹ 45.73 Crore)
5.	List of activities in which expenditure in 4 above has been incurred	Major activities are as under: - (a) Education (b) Livelihood and income generation (c) Healthcare and arrangement of drinking water (d) Women empowerment and skill development (e) Helping old age people, needy and orphans (f) Community infrastructure and rural development (g) Measures to benefit dependents of martyrs of armed forces (h) Social welfare and promotion of art and culture (i) Environment sustainability (j) Promotion of Sports

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. As on March 31, 2021; Company had 3 subsidiaries. 2 (two) are wholly owned subsidiaries and 1 (one) is a section 8 company. This apart, there are 5 (five) more foreign step-down subsidiaries of the Company.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

None of the wholly-owned subsidiaries of the Company has material business operations. One subsidiary (Section 8 company) is engaged in sports promotion related activities. Out of five foreign step-down subsidiaries, one subsidiary has material business operations in United Arab Emirates. The said subsidiary complies with applicable laws concerning economic, social and environment discipline in its jurisdiction.

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

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

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

b) Details of the BR head

No.	Particulars	Details
1.	DIN (if applicable)	N.A.
2.	Name	S. S. Khandelwal
3.	Designation	Company Secretary
4.	Telephone number	+91-1462-228101-6
5.	e-mail id	shreebwr@shreecement.com

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

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

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

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

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3.	**Does the policy conform to any national / international standards? If yes, specify? (50 words)**	Company has adopted various standards specified by the International Organisation for Standardisation (ISO). These are- a) ISO 9001:2015 for Quality management systems b) ISO 14001:2015 for Environment management systems c) ISO 50001:2018 Energy management systems d) ISO 45001:2018 for Occupational Health and Safety management systems Apart from these, other standards which the Company is following are: a) IS 45001:2018 for Occupational, Health and Safety Management System (Bureau of Indian Standard, Govt. of India) b) International Labour Organisation (ILO) Guidelines c) UN Global Compact and International Finance Corporation guidelines for specific aspects of cement sector d) National Voluntary Guidelines (NVG) given by Ministry of Corporate Affairs for Social, Environment and Economic responsibility of business e) Global Reporting Initiative standards f) Cement Standard IS 269, IS 455, IS 1489 Part-1, IS 6909, IS 16415, IS 2185 Part-3 by Bureau of Indian Standard, Govt. of India Company is also member of Global Cement and Concrete Association (GCCA) at global and national level and complying its guidelines on sustainability aspect. All policies on the principles mentioned above are in compliance with these standards and statutory requirements of applicable laws of jurisdiction in which the Company operates. Other than these, the policies are based on the generally accepted practices for the respective principles.								
4.	**Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	**Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?**	Yes. The Board has constituted Corporate Social and Business Responsibility (CSBR) Committee consisting of 6 directors which is responsible for overseeing implementation of various policies adopted by the Company concerning Business Responsibility. At executive level, there is Environment Social and Governance (ESG) Committee consisting of senior executives of the Company, which carries out continuous monitoring and implementation of the policies. To put further thrust on implementation of various sustainability measures, the Board has linked performance appraisal of Shri P. N. Chhangani, Whole Time Director on Company's performance on Key Performance Indicators (KPIs) set for various sustainability parameters (like consumption of green energy, reduction of specific power/ energy consumption, lower specific carbon emissions, increase in consumption of industrial wastes, etc.). He is also required to ensure that annual performance appraisal of all unit heads reporting to him also have assessment of their units' performance on sustainability KPI's set for them.								
6.	**Indicate the link for the policy to be viewed online?**	https://www.shreecement.com/investors/policies								
7.	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	Communication is an on-going process. For this purpose, the policies have been posted on the Company's website for information of all stakeholders. For internal stakeholders, appropriate communication means such as notice boards, company magazines, intranet portal, etc. are used. Also these policies are covered in Company's Corporate Sustainability Report released every year for all its stakeholders.								
8.	**Does the company have in-house structure to implement the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	**Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?**	As part of compliance with the ISO and other standards adopted by the Company, an external agency evaluates the implementation of the standards on an annual basis. Apart from this, Company also has a system of undertaking regular audit/ review of the implementation of various standards/ compliance of applicable laws, provisions of which have been imbibed in the policies. Separately, Company undergoes annual ESG assurance through an external consultant who assures all the non-financial performance of Company on the principles of AA100AS Standards and ISAE 3000 Standards. This interalia contains compliances with policies and frameworks adopted by the Company with respect to various environmental and social indicators								

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

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

3. Governance related to BR

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

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

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

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

   The policy relating to ethics, bribery and corruption is included in code of conduct of the company which is to be followed by all the employees and Directors. Our foreign material step-down subsidiary has its own policy and guidelines governing ethics, bribery and corruption commensurate to laws of jurisdiction in which it operates. The Company, as far as possible, encourages all the associated parties including vendors, suppliers and contractors to follow the principles envisaged in the policy.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
There were 7 complaints received from the investors during the year 2020-21. All these complaints were properly attended and necessary actions were taken. Proper investigation was carried out in respect of complaints which were received as part of vigil mechanism.

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

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
Company has strong focus on reducing the usage of virgin natural resources in cement manufacturing process. In its operations, it has deployed best-in-class technology and processes which optimally utilise resources and leave minimal footprints. This apart, Company's specific efforts in addressing environmental concerns in its operations include the following: -

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

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

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

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

Resources	Unit of measurement	2020-21	2019-20
Electricity	kWh/ton of cement	68.65	70.54
Fuel	KCal/ kg of clinker	727	721

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
The data regarding reduction during usage by consumers (energy, water) is not available with the Company.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
Company's sourcing practices are targeted to achieve cost optimisation, ensuring environment sustainability and resource efficiency. The criteria used for selection of suppliers/ vendors go beyond cost relevance and include product quality, life cycle, environment impact, etc. Limestone, the primary raw material, is captively extracted by the Company from its limestone mines using latest mining techniques for cost optimisation and waste reduction. These limestone mines are located in vicinity to Company's clinker manufacturing facilities which reduces cost of transportation of the material. For procurement of other materials and items, Company gives preference to vendors which comply with the various principles of sustainability. 100 % of Company's suppliers/ vendors are bound to sign its code of conduct for inclusion of sustainability practices at their workplace as well. Engagement of transporters is done based on conditions like young vehicles, need for drivers to carry pollution certificates, drivers and support staff to always carry safety aprons, having valid driving license, etc. Also, Company continuously strives for load and route optimisation to ensure fuel and environmental efficiency of the fleets. Apart from these, Company also calculates and reports on transportation and inbound and outbound logistics related GHG emissions- commonly termed as Scope 3 emissions. This gives it opportunity to relook at its logistics strategy and also helps in being transparent about its emission footprints.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
Company accords priority to local suppliers in procurement of raw materials, stores and spares and other consumables. Currently it has over 1,160 MSME vendors registered across all locations for procurement of goods and availing services. Company's contractors who supply labour services for plant operations, housekeeping, horticulture, general maintenance and varied other purposes employ workmen from nearby communities. This workforce is provided training on occupational health and safety aspects before commencing work.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
Company's product i.e. cement has high life span and is generally not meant for recycling. Also cement manufacturing process as such does not involve production of any by-products or waste. Fly-ash, a solid waste, generated from operation of thermal power plants is utilised in production of blended cement. Used oil is only the hazardous waste being generated which is entirely co-processed in the cement operations itself. Other miscellaneous non-hazardous wastes are sold to recyclers. Domestic waste water generated is 100% recycled through Sewage Treatment Plants in the Company. This apart, Company also utilises waste of other industries in the form of Alternative Fuels and Raw Materials (AFR) in cement production process which ultimately provides feasible solution to industrial waste disposal.

PRINCIPLE – 3: Businesses should promote the well-being of all employees.

1. Please indicate the total number of employees.
The total number of employees as on March 31, 2021 was 6,259.

2. Please indicate the total number of employees hired on temporary/ contractual/ casual basis.
Total temporary/ contractual/ casual employees including retainers were 13,503 as on March 31, 2021.

3. Please indicate the number of permanent women employees.
There were 33 permanent women employees as on March 31, 2021.

4. Please indicate the number of permanent employees with disabilities.
There were 6 permanent employees with disabilities as on March 31, 2021.

5. Do you have an employee association that is recognised by management?
Yes, the Company has recognised trade unions affiliated to various trade union bodies.

6. What percentage of your permanent employees is members of this recognised employee association?
5.18% of total permanent employees are members of above trade unions as on March 31, 2021.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Type of employee	Total no. as on March 31, 2021	Training imparted to number of persons during the year	% Training
Permanent Employees	6,259	5,073	81%
Permanent Women Employees	33	30	91%
Casual/Temporary/ Contractual Employees*	13,503	11,121	82%
Employees with Disabilities	6	5	83%

**includes employees hired through contractors including retainers. Casual/ Contractual employees were covered under safety & compliance training*

PRINCIPLE – 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No
   Company periodically conducts stakeholder engagement process and through constant dialogue with them, Company identifies key material issues which could impact its performance. Company's sustainability report presents details on its stakeholder engagement and material issue identification process.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?
   Company considers people from low strata of the local communities around its manufacturing units and its contract workers as disadvantaged, vulnerable and marginalized stakeholder.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.
   Company's initiatives in the field of Corporate Social Responsibility are intended to cover wide spectrum of communities including the disadvantaged, vulnerable and marginalised stakeholders. These initiatives include areas like education, healthcare, livelihood support, rural and infrastructure development, support to elderly and needy people, community hygiene and sanitation, women empowerment, etc. and are carried out by CSR arm of the Company Shree Foundation Trust. Company engages with local community to ascertain their needs for planning, coordinating and routine monitoring of its CSR activities and programs.

PRINCIPLE – 5: Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?
   The policy on human rights covers the Company only. Our foreign material subsidiary has its own policy and guidelines governing human rights commensurate to laws of jurisdiction in which it operates. Further Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
   Company did not receive any stakeholder complaint in FY 2020-21 relating to human rights.

PRINCIPLE – 6: Businesses should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.
   The policy on environment covers the Company only. Our foreign material subsidiary has its own policy and guidelines governing environment protection commensurate to laws of jurisdiction in which it operates. The Company encourages the parties associated with it to follow the governing principles of this policy for protection and restoration of environment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.
   Yes. Company's initiatives such as installation of Waste Heat Recovery Plants, renewable energy power plants, Air Cooled Condensers in thermal power plants, in-house production of synthetic gypsum using patented technology, energy conservation and efficiency measures, etc. are aimed to address global warming and climate change issues. This apart, Company is a member of various global forums which enables it to benchmark its practices with the international standards and provides it a forum to participate in global environmental initiatives. Company also voluntarily discloses its carbon emissions and water footprints in the Carbon Disclosure Project (CDP).

   Company collaborated with its peers in cement sector in developing the first country-specific sectoral roadmap based on the WBCSD's SDG Sector Roadmap Guidelines framework. It has translated the spirit of SDGs to specific business goals such as increasing share of green energy in manufacturing process, reduce dependency on mineral gypsum, continuously increase use of harvested and recycled water and improve Thermal Substitution Rate upto 5%.

   Company annually keeps its stakeholders updated about its sustainability measures and performance through GRI compliant Corporate Sustainability Report, the web link of which is https://www.shreecement.com/sustainability/sustainability-reports.

3. Does the company identify and assess potential environmental risks? Y/N
   Yes. Company has risk management mechanism in place to identify and assess existing and potential risks across its operations.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?
   Company was the 1st cement company in India to register its project 'Optimum Utilisation of Clinker' with the United Nations Framework Convention on Climate Change (UNFCCC) under the Clean Development Mechanism (CDM) wherein it was granted 4,50,000 units of Certified Emission Reductions (CERs) by UNFCCC. Currently, the Company has two projects viz. Waste Heat Recovery based power generation at Ras and generation of power through Wind Power Plant at Kodla registered with Gold standard as VCS. Further, it has filed application for registration of 3 projects of power generation from WHR plants and 3 through renewable energy sources across its various sites in VCS scheme.

   There is no requirement of filing environment compliance report. A validation and verification report is required to be submitted and the same has been filed, wherever required.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
   Yes. Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. Details of these initiatives are covered in the Corporate Sustainability Report issued by the Company every year. The weblink for the above reports is https://www.shreecement.com/sustainability/sustainability-reports.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?
   Emissions/ wastes generated by the Company were within the permissible limits set by CPCB/ SPCB for the relevant financial year. The Company ensures submission of report on the emission levels to CPCB/SPCB at regular intervals.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
   No such cases pending at the end of financial year 2020-21.

PRINCIPLE – 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:
   The Company is member of following trade chambers, associations and forums which make efforts towards climate change, global warming and sustainable business development–

   a. Cement Manufacturers' Association (CMA)

   b. The Energy and Resource Institute (TERI)

c. Bureau of Energy Efficiency (BEE)

d. Global Reporting Initiative (GRI)

e. Confederation of Indian Industries (CII)

f. Federation of Indian Chamber of Commerce and Industry (FICCI)

g. National Council for Cement & Building Materials (NCCBM)

h. Global Cement and Concrete Association (GCCA) (national and global membership)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, the Company has utilised these forums for advocating framing of policies for advancement of public good. Some of them are as below:

a. Promoted concreted cemented roads through CMA which are beneficial, eco-friendly and cheaper than the conventional tar roads in long term;

b. Recommended for increased use of fly-ash in cement manufacturing;

c. Promoted installation of Waste Heat Recovery Plants in cement manufacturing units which capture hot gases to generate power without using any fossil fuel;

d. Associated with National Council for Cement and Building Materials (NCCBM) in its Research Advisory Committee contributing in research and development of building materials;

e. Provided inputs to Bureau of Energy Efficiency (BEE) for Perform, Achieve and Trade (PAT) cycles;

f. Engaged in development and promotion of best sustainability practices through Global Cement and Concrete Association (GCCA);

g. Through membership of Global Cement and Concrete Research Network (also called as INNOVANDI initiative), the Company is focusing on bringing innovations with respect to resource efficiency, energy efficiency and GHG efficiency.

PRINCIPLE – 8: Businesses should support inclusive growth and equitable development.

1. **Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has specified programs in pursuit of its policy on inclusive growth and equitable development. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. A Board constituted committee oversees the implementation of various activities and programs of the Company. The details of various initiatives undertaken by the Company towards inclusive growth and development are given below: -

- **Literacy and Education for the Community**
  - » For improving the quality of education in areas in the vicinity of its plants, Company through its dedicated school support programs:-
    - equips government schools with basic facilities like furniture, stools, tables, teaching and study material.
    - undertake construction of facilities and otherwise supplements efforts of the State Govt. for providing basic education to rural communities.
    - pays honorarium for deputation of additional teachers in Government schools.
    - runs in-house CBSE affiliated schools in residential colonies of integrated plants for imparting quality education to children of nearby communities.
  - » Company has established computer literacy centres and conducts computer literacy programmes for students and villagers in collaboration with NIIT foundation.
  - » Company, under its 'Shree Ki Pathshala' project, is running centres for imparting basic education to girls aged between 9 – 16 years who never attended any school or are drop outs. Also, tuition facility is provided to students of nearby community appearing for 10th standard exams. Company provided support to needy students by providing scholarships and extended financial support to needy to undertake further/ higher studies.

- **Livelihood, Income Generation and support to farmers**
  - » Company, by organising visits of farmers to nearby Krishi Vigyan Kendra, provides training of new farming techniques to farmers of nearby communities to improve their farming productivity. Company also provides agriculture tools (like sprayer machine, sprinkler sets, HDPE pipes) to farmers and distributes high quality seeds at subsidised rates for improved yield. For improving productivity of livestock which is one of the major sources of livelihood of nearby rural communities, Company provides fodder seeds for cultivation and ensuring availability of green fodder for cattle throughout the year. It has given financial assistance for construction of feed manger in individual households to minimise wastage of fodder during cattle feeding.
  - » Company is providing training to masons and consumers to upgrade their knowledge about the construction methods and techniques. It gives them an opportunity to learn about the methods of environment friendly usage of cement and other building materials and acquire information about the latest construction techniques to improve their overall competence. Company also arranges internship training for students of IITs and IIMs to provide them a structured opportunity to gain practical experience of onsite working. Similarly, vocational trainings are provided to ITI passed students of nearby areas in its mining operations. This enables the students to integrate knowledge gained through their classroom learning with the competencies made available through actual experience in a professional setting and enhance their employability.

- **Healthcare programs and arranging safe drinking water**
  - » Company's 24X7 Health Management Centres provide primary healthcare services to local communities. These centres are equipped with all facilities to meet primary and emergency medical needs of nearby communities. Ambulance services are also made available from these centres for critical and emergency cases for people of nearby communities. In 'Mamta Project', Company organises health camps and arranges doctors' visits in the nearby villages of its facilities for medical check-up of pregnant women and new-born children. To promote institutional delivery cases of pregnant women in nearby villages, Company has appointed volunteers (Sakhis) to act as health educators and counselors. To increase awareness about sanitation and hygiene in daily life, Company has undertaken Swachhta Project wherein initiative of organising awareness campaigns, distribution of dustbins, slogan writing on walls, schools rallies, celebration of cleanliness weeks, distribution of materials like calendars, diaries having messages about sanitation and hygiene are undertaken. To maintain minimum supply levels during peak summer season and to otherwise augment the water supply in nearby villages, Company constructed public water huts, water tanks, installed bore wells & pumps and supplied RO water through tankers in nearby villages.
  - » To mitigate and curb the spread of COVID-19 pandemic in and around its surroundings and nearby localities, the Company took precautionary measures such as distribution of masks and sanitisers, disinfectant sprays, disseminating awareness of hygiene and social distancing. It distributed food packets, medicines and other items of basic necessity to the migrants/ poor / daily wage earners who were forced to stay at home during the lockdown / curfew. Company provided 5 Truenet COVID-19 testing machines to district administration of Aurangabad, Gaya, Rohtas, Jehanabad, Nawad in Bihar. To augment and maintain the oxygen supplies for critical patients in hospitals, Company refilled oxygen cylinders free-of-cost from its oxygen generation plants at Ras, Baloda Bazar and Kodla. Additionaly Company made financial contributions to PM CARES fund (₹ 0.61 Crore), Chief Ministers Relief Fund of Rajasthan (₹ 2.51 Crore), Chhattisgarh (₹ 0.51 Crore) and Karnataka (₹ 0.51 Crore) to help the fight against the pandemic.

- **Women empowerment and skill development**
  - » Under 'Shree Shakti Project', Company promotes formation of Self-help groups (SHGs) of local rural women to help inculcating a habit of saving and creating corpus. Members of these groups with own corpus and financial assistance from lending institutions undertake entrepreneur assignments. For skill development of rural women, Company conducted various vocational training programmes on sewing and cutting, bag making, food processing, beauty parlor, carding and spinning, hand embroidery etc.
  - » In order to reduce girl infant mortality, Company under its 'Save the Girl Child Campaign' provided help in the form of a fixed deposit of ₹ 5,000 at the time of birth of girl child which is available to her after attaining 18 years of age. Company provides basic essential items (like utensil set, sewing machine, bed, cooking stove, cooker, wedding attires, etc.) on the occasion of marriage of girl of BPL families.
- **Helping old age people, needy and orphans**
  Company is supporting project 'Pronam' of "The Bengal" foundation for the elderly people of Kolkata under which medical services like ambulance, health check-ups, camps, etc. are organised. This project also provides safety and security services to these people in co-ordination with Kolkata Police including legal help wherever necessary. Company on various religious and social occasions and as and when need arises, undertakes distribution of food, clothes, shoes, winter wears, medicine, etc. to people living in old age homes, orphan and needy people of nearby community to meet their daily essential requirements.
- **Community Infrastructure and Rural Development**
  In order to improve road connectivity in rural areas, Company has undertaken construction and repairing work of the roads in nearby villages of its various plants. This apart, Company undertakes civil works in nearby villages to systematically improve infrastructure base. Such work includes construction/ repair of public institutions, renovation of old buildings and community centres, construction of stages, boundary wall, stay rooms, waiting stands etc. which are commonly used by the communities at large.
- **Social welfare and Promotion of art and culture**
  On the occasion of the anniversary of Lord Hanuman temple at Beawar, Company organises tableau (Jhankis) show highlighting rich Indian culture and heritage. Besides this, it is working towards protecting and promoting India's art, culture and heritage through various promotional and developmental projects and programmes especially organising local fairs, events, etc. in nearby communities and otherwise which help conservation of their ancient tradition and practices and creates a social harmony. It supports events organised by various institutions, private bodies that promote literature, music, poetry, folk, art, etc. and encourages artists, writers, musicians, etc. to showcase their talent.
- **Measures for the benefit of armed forces veterans, war widows and their dependents**
  The Company institutionalised 'Project Naman' whereby free-of-cost cement is provided for building house upto 4,000 sq feet to widows and dependents of armed forces martyred in the twenty-year period from Jan 1, 1999 to Jan 1, 2019. For the same, an official MOU has been entered into between Company and Kendriya Sainik Board.
- **Promotion of sports**
  To inculcate sporting habit and promote sports in general, Company provides contribution for organising various sporting events, activities, tournaments in schools and nearby areas. This apart, it also provides financial aid/ arranges sports equipment for needy people of nearby communities.
- **Environment Sustainability**
  Company distributes saplings among farmers of nearby villages for plantation to cover the open areas and development of green belt. Company conducts school plantation programmes wherein it encourages students to plant trees. In nearby areas of its manufacturing facilities, the Company plants saplings with tree guards and carry out their maintenance to ensure their survival and growth.

2. **Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organisation?**
   The projects are undertaken both by the internal teams and CSR arm of the Company Shree Foundation Trust as well as through/ in-coordination with external agencies like NGOs, trusts and government institutions.

3. **Have you done any impact assessment of your initiative?**
   Company engages with local communities to discuss and understand their needs, identify the priority intervention areas and gauge the impact of its interventions.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**
   Company has spent an amount of ₹ 45.73 Crore on various CSR activities during year 2020-21. The details of the amount incurred and areas covered are given in question 1 above and in Annual Report on Corporate Social Responsibility Activities i.e. Annexure – 2 to the Board's Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
   Yes. Company has a process of engaging with local community to understand their concern. CSR interventions are carried out on a 'need based approach' which are developed after consultations with the local community to ensure that the activities are adopted by them.

PRINCIPLE – 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**
   Company regularly conducts meetings with customers to educate, appraise and understand their concerns. All the concerns are taken up and resolved immediately to the satisfaction of the customers. There were, however, 23 consumer cases filed against the Company which were pending as on March 31, 2021 and are being taken up by our legal and technical teams for disposal.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes /No /N.A./ Remarks (additional information)**
   Company displays all information as mandated to ensure full compliance with relevant laws.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
   i) Competition Commission of India (CCI) vide its order dated August 31, 2016 for alleged violation of provisions of the Competition Act imposed a penalty of ₹ 397.51 Crore on the Company which was challenged by the Company in National Company Law Appellate Tribunal (earlier Competition Appellate Tribunal) (**the 'Tribunal'**). Based on submissions made by the Company, the Tribunal, by its order dated November 7, 2016, stayed the operation of the order passed by CCI subject to deposition of 10 percent penalty amount in form of fixed deposit. The Company has complied with the conditions of the above order for stay and the appeal is now before the Tribunal.

   ii) In another matter, CCI had vide its order dated January 19, 2017 imposed a penalty of ₹18.44 Crore on the Company in connection with a reference filed by the Government of Haryana in respect of tender invited by Director Supplies & Disposals, Haryana, for supply of cement. Company has filed an appeal in the Tribunal against the above order which has been stayed and the same is now before the Tribunal.

4. **Did your Company carry out any consumer survey/ satisfaction trends?**
   Consumer satisfaction survey is carried out every year to gauge consumer sentiments. The Company has put in place appropriate grievance handling mechanism to address customer concerns and gather feedback, based on which further appropriate measures and interventions are taken to increase customer satisfaction.

Report on Corporate Governance

Corporate Governance Philosophy

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximise stakeholders' value. The Company has always conducted itself by adhering to the core values of transparency, accountability and integrity in all its business practices and management. The Company believes that a business can be successful if it is ethical and meets the aspirations of all its stakeholders which include shareholders, employees, suppliers, customers, investors, communities or policy makers.

Over the years, we have strengthened relationships with our stakeholders in a manner that is dignified, distinctive and responsible. We continue to review and benchmark the corporate governance practices of the Company against best practices. These practices being followed since inception have contributed to the Company's sustained growth. The Company believes in carrying out its operations in a sustainable manner with minimal carbon footprints and optimal utilisation of natural resources. The Board is collectively responsible to ensure that processes are structured to direct the Company's actions, assets and agents to achieve the aim of maximisation of stakeholders' value.

Board of Directors

Composition & Board Diversity

The Board of Directors ('the Board') comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to maintain the independence of the Board and also to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. The Board consists of eleven members, three of whom are Executive Directors, one Non-Executive (Non-Independent) Director (Chairman) and seven Independent Directors including one Women Director. The members of the Board are from diverse background having expertise in the fields of law, banking, economics, sustainability, energy conservation, finance & taxation, etc.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby, enhancing stakeholders' value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board also plays a crucial role in overseeing how the management serves the short and long term interests of stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. For Directors' Profile, please refer the 'Profile of Directors' section in the Annual Report.

Skills/Expertise/Competence of the Board of Directors

Core skills/expertise/competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

Sl. No.	Skills / Expertise / Competence required by the Board of Directors		Status of availability with the Board
1	**Understanding of Business/Industry**	Experience and knowledge of business related issues in general and those of Cement business in particular	✓
2	**Strategy and strategic planning**	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities	✓
3	**Critical and innovative thoughts**	The ability to analyse the information and share innovative approaches and solutions to the problems	✓
4	**Financial Understanding**	Ability to analyse and understand the key financial statements, assess financial viability of the projects & efficient use of resources	✓
5	**Market Understanding**	Understanding of the Cement Market dynamics	✓
6	**Risk and compliance oversight**	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliances, and monitor risk and compliance management frameworks	✓

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under:-

Name of Directors	Understanding of Business / Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Shri B.G. Bangur	✓	✓	✓	✓	✓	✓
Shri H.M. Bangur	✓	✓	✓	✓	✓	✓
Shri Prashant Bangur	✓	✓	✓	✓	✓	✓
Shri P.N. Chhangani	✓	-	✓	✓	✓	✓
Shri O.P. Setia	✓	-	✓	✓	-	✓
Shri R. L. Gaggar	✓	-	✓	✓	-	✓
Shri Shreekant Somany	✓	-	✓	✓	-	✓
Dr. Y.K. Alagh	✓	-	✓	✓	-	✓
Shri Nitin Desai	✓	-	✓	✓	-	✓
Shri Sanjiv Krishnaji Shelgikar	✓	-	✓	✓	-	✓
Ms. Uma Ghurka	✓	-	✓	✓	-	✓

Selection, Appointment and Tenure of Director

As per the Remuneration Policy, the Nomination cum Remuneration Committee facilitates the Board in identification and selection of the Directors carrying high integrity, relevant expertise and experience so as to have well diverse Board.

The Directors including the Independent Directors are appointed or re-appointed with the approval of the shareholders in accordance with the provisions of the law.

The Executive Directors are normally appointed for a term of five years. Except the Independent Directors, all other Directors including Non-Executive Directors are liable to retire by rotation and are eligible for reappointment.

As required under rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (As amended), all the Independent Directors of the Company have affirmed that their names are enrolled with Independent Director's data bank.

As required under Regulation 46(2)(b) of the Listing Regulations and Para IV of Schedule IV of the Act, the Company issues formal letter of appointment to the Independent Directors. The specimen thereof has been posted on the website of the Company in terms of the said provisions and can be accessed on the website of the Company at link https://www.shreecement.com/uploads/investors/shareholder/letter-appointment-independent-directors.pdf.

Category and Attendance of Directors

The names and categories of Directors, their attendance at the Board Meetings held during the year 2020-21 and at the last Annual General Meeting, and also the number of Directorships held by them in other Companies, Committee Membership / Chairmanship held by them, Directorship held in other listed entities and category of directorship are given below:-

Name of Director	Category		Attendance at AGM held on July 6, 2020	No. of Board Meetings attended during 2020-21	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at March 31, 2021	Directorship in other listed entity & Category of Directorship
Shri B.G. Bangur	Promoter Directors	Chairman (Non-Executive)	YES	4	1	-	-	10,221 (Refer note 1)	NIL
Shri H.M. Bangur	Promoter Directors	Managing Director	YES	4	-	-	-	4,78,063 (Refer note 1&2)	NIL
Shri Prashant Bangur	Promoter Directors	Joint Managing Director	YES	4	3	-	-	3,89,750 (Refer note 3)	NIL
Shri P.N. Chhangani	Professional Director	Whole-Time Director	YES	4	1	-	-	-	NIL
Shri O.P. Setia	Independent Director		YES	4	-	-	-	-	NIL

Name of Director	Category	Attendance at AGM held on July 6, 2020	No. of Board Meetings attended during 2020-21	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at March 31, 2021	Directorship in other listed entity & Category of Directorship
Shri R. L. Gaggar	Independent Director	YES	4	8	7	2	-	1. Duroply Industries Limited [formerly known as Sarda Plywood Industries Limited] (Independent Director) 2. TIL Limited (Independent Director) 3. International Combustion (India) Limited (Independent Director) 4. Sumedha Fiscal Services Limited (Independent Director)
Shri Shreekant Somany	Independent Director	YES	4	4	3	-	-	1. Somany Ceramics Limited (Chairman & Managing Director) 2. JK Tyre & Industries Limited (Independent Director)
Dr. Y.K. Alagh	Independent Director	YES	4	1	-	-	-	NIL
Shri Nitin Desai	Independent Director	YES	4	1	-	-	-	NIL
Shri Sanjiv Krishnaji Shelgikar	Independent Director	YES	4	11	-	-	-	NIL
Ms. Uma Ghurka	Independent Director	YES	4	5	-	-	-	NIL

Note 1 Shri B.G. Bangur gifted 10,221 shares to Shri H.M. Bangur on April 8, 2021.

Note 2 Out of the 4,78,063 shares held by Shri H. M. Bangur, the beneficial Interest on 10,100 shares is held by the following Trusts/Institutions (Belonging to Promoters Group):

- Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares
- Sri Rama Nidhi (Family Deity): 7,100 shares

Note 3 Out of the 3,89,750 shares held by Shri Prashant Bangur, the beneficial Interest on 93,800 shares is held by the Shree Venktesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group)

Notes:

1. The directorships held by Directors as mentioned above, do not include directorships in foreign companies.
2. In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairpersonship of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Shree Cement Ltd.) have been considered.
3. Shri H. M. Bangur is son of Shri B. G. Bangur and father of Shri Prashant Bangur. Shri Prashant Bangur is son of Shri H. M. Bangur and grandson of Shri B. G. Bangur. Except this, there are no inter-se relationships among other Directors.

Four meetings of the Board of the Company were held during financial year 2020-21 i.e. on May 8, 2020, August 10, 2020, November 11, 2020 and January 30, 2021. The gap between any two meetings did not exceed 120 days.

Board Procedures

The Board of Directors of the Company acts in the capacity of 'management trustee', being responsible for managing the affairs of the Company on behalf of the shareholders. Therefore, it is absolutely necessary to ensure complete transparency and foresightedness in the decision-making process. The Board takes decision based on detailed discussions and deliberations. The members of the Board have complete independence to raise any issue/matter for discussion.

Meetings of the Board are governed by a structured agenda. Agenda of meeting is circulated to the Board Members well in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. To supplement this, it is ensured that Board Members are presented with all the relevant information, in addition to the agenda of the meeting, for review on vital matters affecting the working of the Company including the minimum information to be placed before the Board as inter-alia specified under Regulation 17(7) of the Listing Regulations.

Board Independence

Seven Directors out of eleven Directors of the Company are Independent Directors as per the criteria specified in the Listing Regulations and the Companies Act, 2013 (As amended). All Independent Directors make annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee and commission as an Independent Director. Further, no Independent Director has resigned before the expiry of the tenure during the year. In opinion of the Board of Director of the Company, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management.

Separate Meeting of Independent Directors

The Independent Directors of the Board met, without the presence of any Non-independent Director and/or Management Representative, on January 30, 2021 to inter-alia discuss the following:-

- Review of performance of Non-independent Directors;
- Review of performance of Board as a Whole;
- Review of Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors were assisted by an independent external facilitator to carry out the evaluation process. The outcome of the meeting was apprised to the Chairman of the Company.

Induction and Familiarisation Programme for Independent Directors

A detailed presentation is provided to the Independent Directors of the Company at the time of their appointment, which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organisation structure, products, etc. The said presentation is also provided to existing Independent Directors every year.

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

Governance Structure

The Company has put in place a governance structure with defined roles and responsibilities of every constituent of the system. The shareholders of the Company appoint the Directors who act as trustees towards the stakeholders of the Company. The Board of Directors discharges its responsibilities in an effective manner with the help of various Board Committees and the Management of the Company. The Company Secretary acts as Secretary to all Committees of the Board. The Chairman of the Company is responsible for fostering a culture which enables the Board to carry out its functions in a harmonious manner and ensure that the Board provides effective governance and guidance to the Company. The Chairman presides at meetings of the Board and also of the Shareholders of the Company. The Managing Director is responsible for overall management of the Company and provides strategic direction for business strategies, growth and expansion of business along-with taking all other policy decisions having significant business and financial implications. The Joint Managing Director is also involved in the management of the Company including executing all strategic and policy decisions and providing critical insights and directions in the operational and management decisions of the Company. The Whole Time Director and other Senior Executives of the Company executes the day-to-day operational matters under the overall guidance and supervision of the Managing Director and the Joint Managing Director thereby, strengthening the effectiveness of control in managing the affairs of the Company.

Board Committees

The Board has constituted the following Committees of Directors to look into and monitor the matters falling within their terms of reference:

A. Audit and Risk Management Committee

A.1. Terms of Reference

The Audit and Risk Management Committee ('Committee') reviews the matters falling in its terms of reference and addresses larger issues that could be of vital concerns to the Company. The Committee constituted by the Board in terms of Section 177 of the Companies Act, 2013 and Listing Regulations meets the requirement of the said Section and the Listing Regulations.

The terms of reference of the Committee broadly includes matters pertaining to review of financial reporting process, adequacy of internal control systems, discussion of financial results, interaction with Auditors, appointment and remuneration of Auditors, adequacy of disclosures, Risk Management framework and other relevant matters. In particular, these include:-

- Review the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Director's Responsibility Statement of the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s), if any, in the draft audit report;
- Review the quarterly financial statements before submission to the Board for approval;
- Reviewing the financial statements of subsidiaries in particular, the investments made by the unlisted subsidiaries of the Company, if any;
- Oversight Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing and monitoring the Auditor's independence & performance and effectiveness of audit process;
- Approval (including omnibus approval) or any subsequent modification of transactions with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review the utilisation of loans and/ or advances / investment made in the subsidiary Company(ies) exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings & follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Review of statement of deviations in terms of regulation 32 of the listing regulations;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Review the management discussion and analysis of financial condition and results of operations;
- Review the management letters / letters issued by the statutory auditors and internal audit reports on internal control weaknesses;
- Review of the appointment, removal and terms of remuneration of the chief internal auditor of the Company;
- Review statement of significant related party transactions;
- Formulating and recommending the Risk Management Policy Procedure and Plans to the Board and review and evaluation of the Risk Management System;
- To monitor and review issues/risks related to Cyber Security of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the Audit and Risk Management Committee.

A.2. Composition, meetings and attendance

All members of the Committee are financially literate. Shri O. P. Setia, Chairman of the Committee is having the relevant accounting and financial management expertise. During the year under review, the Committee met four times i.e. on May 8, 2020, August 10, 2020, November 11, 2020 and January 30, 2021. The maximum gap between any two meetings was not more than four months.

Name of Member	Category	Qualification of the Member	No. of Meetings Attended
Shri O.P. Setia – Chairman	Independent & Non-Executive Director	The Chairman is Master of Commerce and Ex-Managing Director of State Bank of India and has held many key positions in its associate banks. He possesses the requisite accounting and financial management expertise.	4
Shri R.L. Gaggar	Independent & Non-Executive Director	Member is a renowned Solicitor and Advocate based at Kolkata. He is practicing at the High Court of Kolkata for over 50 years. He has good accounting and financial management knowledge.	4
Dr. Y.K. Alagh	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	4
Shri Nitin Desai	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	4
Shri Shreekant Somany	Independent & Non-Executive Director	Member is Eminent Industrialist having rich experience of Business. He has good accounting and financial management knowledge.	4
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	Member is a veteran Chartered Accountant and possesses the requisite accounting and financial management expertise.	4

A.3. Invitees to the Committee

The Whole Time Director, Chief Finance Officer (CFO) and Company Secretary along with the representative(s) from Statutory and Internal Auditors of the Company are permanent invitees for responding to the observations of the Committee. Also, other directors of the Company join the meeting based on requirement as invitees.

B. Nomination cum Remuneration Committee

B.1. Terms of Reference

Committee is empowered to –

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board for their appointment and/or removal;

- Formulate the system and procedure for evaluating performance of Directors;
- Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulate the criteria for evaluation of performance of Independent Directors and of the Board of Directors as a whole and its Committees;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- to see the diversity of the Board of Directors of the Company;
- to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

B.2. Composition, meetings and attendance

The Nomination cum Remuneration Committee consists of all Independent Directors and during the year under review, the Committee met on May 8, 2020 and January 30, 2021. The composition of the Committee and particulars of attendance at the Committee Meetings are given below:

Name of the Member	Category	No. of Meetings Attended
Shri R.L. Gaggar - Chairman	Independent & Non-Executive Director	2
Shri O.P. Setia	Independent & Non-Executive Director	2
Shri Shreekant Somany	Independent & Non-Executive Director	2
Dr. Y. K. Alagh	Independent & Non-Executive Director	2

B.3. Performance evaluation criteria for Independent Directors

The performance evaluation criteria laid down for the Independent Directors covers their attendance and contribution at Board/Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/ Committee meetings, etc.

B.4. Remuneration Policy

The Company believes in nourishing a people-friendly environment aimed at attaining high and sustainable growth where each and every personnel working with it is able to achieve the Company's vision of being the best in the industry. The objective of the remuneration policy is –

- to enable the Nomination cum Remuneration Committee to attract highly qualified executives to join the Board of Directors and top management of the Company;
- to enable the top management to attract, recruit and retain people at senior level positions in the organisation;
- to enable the top management working along with senior personnel and Human Resource group of the organisation to attract, recruit, motivate and retain the best talent available to join its team;
- to create value for all stakeholders in an efficient and responsible manner; and
- to ensure that the Directors, Executives and prescribed officers are remunerated fairly and responsibly with the long term interest of the Company in mind.

  The policy covers appointment and fixing of remuneration for all the Directors as well as Key Management Personnel (KMP) of the Company which includes the Chief Finance Officer and the Company Secretary. It also includes the appointment of other Senior Management Personnel which the Board may decide to appoint and who may report to the top management of the Company. Further, the appointment and remuneration of other employees of the Company shall also be guided by this policy although the specific implementation may be undertaken by the respective department responsible for hiring in the Company. The Remuneration Policy of the Company is posted on the website of the Company and can be accessed on the website of the Company at link https://www.shreecement.com/uploads/cleanupload/remuneration-policy.pdf.

B.5. Remuneration of Directors

Executive Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the Nomination cum Remuneration Committee. The remuneration is decided based on broad criteria(s) like industry trend, remuneration package in other comparable corporates, job contents and key performance areas, Company's performance etc. The remuneration structure comprises of salary, contribution to provident, superannuation & annuity funds, perquisites & allowances and gratuity in accordance with Company's rules and Commission/ Bonus to the Executive Directors, at the end of the year, is determined and approved by the Board. Necessary approvals from shareholders are sought in the general meetings for approval of the remuneration package(s). Executive Directors are not paid any sitting fees for attending meetings of Board and Committee thereof.

Non-Executive Directors

The remuneration of the Non-Executive Directors comprises of sitting fees and commission. Non-Executive Directors are paid sitting fees of ₹ 75,000 for each meeting of the Board and its Committees attended by them which is within the limits prescribed under the Companies Act, 2013. Besides the sitting fees, they are also paid commission. Payment of commission to Non-Executive Directors including Independent Directors is made based on their contribution in the Board deliberations and Company's performance. None of the Non-Executive Director has any pecuniary relationship or transaction with the Company apart from receiving the sitting fee and commission as aforesaid. During the year under review Shri B.G. Bangur, Chairman of the Company had expressed his willingness to discontinue receiving payment of sitting fee and Commission from the financial year 2020-21 onwards. Accordingly no payment of Sitting fee and commission is payable to him. The details of remuneration package, fees paid, etc. to the Directors for the year ended on March 31, 2021 are given hereunder: -

A. Working Director - Salary

(₹ in Lacs)

Director	Category	Fixed Component		Performance Linked Incentives/ Commission	Total
		Basic Salary	Allowances Perquisites and other Benefits$		
Shri H.M. Bangur	Managing Director	1,764.00	1,697.44	1,200.00	**4,661.44**
Shri Prashant Bangur	Jt. Managing Director	513.00	960.31	1,000.00	**2,473.31**
Shri P. N. Chhangani	Whole-Time Director	155.01	348.29	-	**503.29**

B. Non-Executive Directors

(₹ in Lacs)

Director	Category	Commission	Sitting Fees	Total
Shri B G Bangur	Non-Executive Chairman	-	-	**-**
Shri R L Gaggar	Independent Director	33.00	9.00	**42.00**
Shri Shreekant Somany	Independent Director	33.00	8.25	**41.25**
Shri O P Setia	Independent Director	33.00	9.00	**42.00**
Shri Y K Alagh	Independent Director	33.00	9.00	**42.00**
Shri Nitin Desai	Independent Director	33.00	8.25	**41.25**
Shri Sanjiv Krishnaji Shelgikar	Independent Director	33.00	7.50	**40.50**
Ms. Uma Ghurka	Independent Director	33.00	4.50	**37.50**

$ The Allowances, Perquisite and other Benefits include contribution to Provident, Superannuation and Annuity Funds, Leave Encashment and Gratuity (if paid). The value of perquisites is calculated in accordance with the rules framed under the Income Tax Act, 1961.

Service Contract, Notice Period, Severance Fees and Stock Options

- The appointment of Shri H. M. Bangur, Managing Director, Shri Prashant Bangur, Joint Managing Director & Shri P. N. Chhangani, Whole Time Director is for five years from the date of their respective appointment.
- Notice period as per the Rules of the Company.
- Except Gratuity and Earned Leave at the end of the tenure, no other severance fees is payable.
- No Stock Options were granted during the year.

C. Stakeholders' Relationship Committee

C.1. Terms of Reference

Committee is empowered to –

- Review and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders.

- Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely payment of dividend/dispatch of annual reports/statutory notices to the shareholders of the Company.
- Monitor redressal of investors' grievances.

C.2. Composition, meeting and attendance

The Stakeholders' Relationship Committee consists of all Independent Directors and during the year under review, one meeting of the Committee was held on January 30, 2021. In the said meeting, the Committee reviewed the status of investors' complaints received and resolved during the calendar year 2020. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri R. L. Gaggar – Chairman	Independent & Non-Executive Director	1
Dr. Y. K. Alagh	Independent & Non-Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1

C.3. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

Link Intime India Private Limited is acting as the Share Transfer Agent of the Company to carry out the share transfer & other related work. Shri S. S. Khandelwal, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent / Company has timely resolved / attended all the complaints and no complaint or grievance remained unattended / unresolved at the end of the year. Details of the complaints received and resolved during, the year ended March 31, 2021 are as under:-

Sl. No.	Nature of Complaints	No. of Complaints received	No. of Complaints resolved
I	Dividend related issues	2	2
II	Annual Report related issues	1	1
III	Non-receipt of share certificates sent for transfer	1	1
IV	Issuance of Duplicate Share Certificate and IEPF Claim	2	2
V	Non-processing request for deletion of name	1	1
	Total	**7**	**7**

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

D. Corporate Social and Business Responsibility Committee (CSBR Committee)

As required under Section 135 of the Companies Act, 2013, the Company has constituted CSBR Committee of Directors to inter-alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows:-

D.1 Terms of Reference:

The Committee is empowered to:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy;
- oversee the Company's activities and contribution with regard to its corporate and societal obligations & its reputation as a responsible corporate citizen;
- review the performance of the Company on environment, governance and sustainability initiatives & matters;
- approve the policies on principles as required in terms of Business Responsibility Reporting requirements and changes/modifications required from time to time in such policies; and
- to approve Company's report on Business Responsibility Reporting requirements.

D.2. Composition, meeting and attendance

During the year under review, the CSBR Committee met once on May 8, 2020. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri O.P. Setia - Chairman	Independent & Non-Executive Director	1
Shri Prashant Bangur	Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	1
Shri P.N. Chhangani	Whole Time Director	1
Ms. Uma Ghurka	Independent & Non-Executive Director	1

Subsidiary Companies

The Audit and Risk Management Committee of the Board of Directors of the Company reviews the financial statements, in particular, the investments, if any, made by its unlisted subsidiary company. Statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any is placed before the Board for review. Copies of Minutes of the Board Meeting(s) of the Subsidiary Companies are tabled at the Board Meeting of the Company. The policy for determining material subsidiaries as approved by the Board is posted on the website of the Company and can be accessed at link https://www.shreecement.com/investors/policies.

General Body Meetings

The required information under Regulation 34(3) read with Schedule V of the Listing Regulations is given under the "Shareholders' Information" separately in the annexure to this Corporate Governance Report.

Disclosures

- **Related Party Transactions:** There were no material related party transactions during the year 2020-21 that have conflict with the interest of the Company as provided under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions have been approved by the Audit and Risk Management Committee. The policy on Related Party Transactions as approved by the Audit and Risk Management Committee and the Board is available on Company's website and can be accessed at link: https://www.shreecement.com/investors/policies.
- **Non-compliance/strictures/ penalties imposed:** No non-compliance/strictures/penalties have been imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.
- **Risk Management:** Risk evaluation and management is an on-going process within the organisation. The Company has a well-defined risk management framework in place. The Company periodically places before the Audit and Risk Management Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- **Vigil Mechanism:** The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and instances of leakage of unpublished price sensitive information. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit and Risk Management Committee.
- **Certificate from Practicing Company Secretary:** A certificate from Shri Pradeep Pincha, Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of company, by the SEBI or Ministry of Corporate Affairs or any such statutory authority.
- **Total fee paid to Statutory Auditors:** Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is ₹ 56.94 Lacs (includes Audit fees and certification / other services). No fee was paid by Subsidiary Companies to Statutory Auditor for such services.
- **Confirmation by the Board of Directors' Acceptance of Recommendation of Mandatory Committees:** During the year, there were no such instances of non-acceptance by the Board of any mandatory recommendations made by the Committees.
- **Details of utilisation of funds raised through preferential allotment or qualified institutions placement:** Your Company in November, 2019 undertook a Qualified Institutions Placement (QIP) and raised ₹ 2,400 Crores by allotting 12,43,523 equity shares of ₹ 10/- each at a price of ₹ 19,300 (which was at 2.56% discount to floor price of ₹ 19,806.46 determined in terms of Regulation 176 of Chapter VI of SEBI ICDR Regulations) on

November 23, 2019. The details of the Utilisations of the proceeds during the FY 2020-21 is as under:-

	(₹ in Crore)
Balance unutilised proceeds from the qualified institutions placement as on March 31, 2020	2,383.00 (Net Proceeds)
Less: Utilised towards funding future growth opportunities and/or strategic acquisitions general corporate requirements, working capital requirement pre-payment and/or repayment of loans and/or any other purposes, as may be permissible under applicable law during the FY 2020-21	710.31
Balance amount to be utilised as on March 31, 2021	1,672.69

- **Commodity price risk or foreign exchange risk and hedging activities:** Company's foreign exchange risk emanates from forex borrowings and import of fuel and other raw materials. For all forex loans, Company maintains 100% forward cover against foreign exchange risk. As regards import of fuel and other raw materials, the Company decides about the hedging based on prevailing market conditions, period of exposure, amount involved etc. The Company does not have any exposure hedged through Commodity derivatives.

- **Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

Sl. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2020-21	NIL
2	Number of complaints disposed of during the financial year 2020-21	NIL
3	Number of complaints pending as at end of the financial year 2020-21	NIL

- **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:** The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-

  a. **Non-Executive Chairman's Office:** The Company maintains a separate office for the Chairman of the Company who is Non-Executive Director with all necessary infrastructure. All assistance is made available to enable him to discharge his responsibilities effectively.

  b. **Shareholder's Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

  c. **Modified opinion in Auditors' Report:** Company's financial statement for the year 2020-21 does not contain any modified audit opinion.

  d. **Separate posts of Chairperson and Chief Executive Officer:** The Company is having separate posts of Chairman (Non-Executive) and Managing Director.

  e. **Reporting of Internal Auditors:** The Internal Auditors of the Company submit reports to the Audit and Risk Management Committee and have direct access to it.

- **Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	Yes
27	Other Corporate Governance requirements	Yes
46 (2) (b) to (i)	Website (Updation)	Yes

CEO / CFO Certification

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2020-21 given by the Managing Director and the Chief Finance Officer is annexed to this Report. The Managing Director and the Chief Finance Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

Code of Conduct

The Board of Directors has laid down a Code of Conduct known as Policy on Ethics, Transparency and Accountability for all the Board Members and Employees of the Company. The code covers, amongst other things, Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable development, health & safety, transparency and compliance of laws & regulations, etc. The code of conduct is posted on the website of the Company.

All the Board members and Senior Management personnel have confirmed compliance with the code for the year 2020-21. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

Prevention of Insider Trading

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading by the Designated Persons and their immediate relatives. All the Designated Persons as defined in the Code are governed by this Code. The Company has appointed Shri S.S. Khandelwal, Company Secretary as Compliance Officer who is responsible for setting forth procedures & implementation of the Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations and nominated Company Secretary, Shri S. S. Khandelwal as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

As required under Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended), Audit and Risk Management Committee of the Board of Directors of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

Means of Communications

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications. Details of communication mode are as under -

- The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the Listing Regulations.
- Thereafter, these are circulated among media/news agencies/ analyst, etc. and are displayed on the Company's website www.shreecement.com. These results are also published in leading newspapers normally with Financial Express, Economic Times, Mint, Business Line, Dainik Bhaskar, Dainik Navjoyti, Rajasthan Patrika within forty-eight hours.
- The Annual Report, inter-alia, containing Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report including Management Discussion and Analysis, Auditors' Report and other important information is circulated to members and others entitled thereto.
- Presentation made to institutional investors or to the analysts are also submitted with respective stock exchanges where the Company's shares are listed and are also displayed on the Company's website www.shreecement.com.
- **NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (Listing Centre):** Both NEAPS and Listing Centre are web-based applications designed for corporates by the respective stock exchanges. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, media releases, etc. are filed electronically on these platforms.
- **SEBI Complaints Redress System (SCORES):** This is a centralised web-based complaint redressal system designed by SEBI for investors. Companies are required to upload online Action Taken Reports (ATRs) against the complaints filed by investors and simultaneously investors can view the actions taken on the complaint and its current status.
- **Website:** The Company's website www.shreecement.com contains a separate dedicated section 'Investor Centre' wherein all information related to Members/Investors has been made available.

Annexure to Corporate Governance Report

SHAREHOLDERS' INFORMATION

Annual General Meeting

Day & Date of AGM	Time	Venue
Monday, August 9, 2021	3.00 p.m.	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office: Bangur Nagar, Beawar - 305901, Distt.: Ajmer, Rajasthan]

Details of the Annual General Meeting held in the last three years are as under:

Year Ended	Day & Date of AGM	Time	Venue
March 31, 2018	Monday, July 30, 2018	11:30 AM	'Rangmanch Auditorium', Bangur Nagar, Beawar – 305901, Distt.: Ajmer, Rajasthan
March 31, 2019	Friday, August 9, 2019	11:30 AM	
March 31, 2020	Monday, July 6, 2020	2:00 PM	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office: Bangur Nagar, Beawar - 305901, Distt.: Ajmer, Rajasthan]

Special Resolution(s) passed in previous three AGMs:

Date of AGM	Special Resolution(s) passed by Members
July 30, 2018	a) Increase in Borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013
	b) Authorisation to Board of Directors for creation of charges/mortgages in respect of borrowings pursuant to Section 180(1)(a) of the Companies Act, 2013
	c) Authorisation to Board of Directors for issue of Non-Convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014
August 9, 2019	a) Re-appointment of Shri Ratanlal Gaggar (DIN: 00066068) as an Independent Director for second term of 5 (five) years w.e.f. September 1, 2019
	b) Re-appointment of Shri Om Prakash Setia (DIN: 00244443) as an Independent Director for second term of 5 (five) years w.e.f. September 1, 2019
	c) Re-appointment of Dr. Yoginder Kumar Alagh (DIN: 00244686) as an Independent Director for second term of 5 (five) years w.e.f. September 1, 2019
	d) Re-appointment of Shri Nitin Dayalji Desai (DIN: 02895410) as an Independent Director for second term of 5 (five) years w.e.f. September 1, 2019
	e) Re-appointment of Shri Shreekant Somany (DIN: 00021423) as an Independent Director for second term of 5 (five) years w.e.f. September 1, 2019
July 6, 2020	a) Re-appointment of Shri Sanjiv Krishnaji Shelgikar (DIN: 00094311) as Independent Director for second term of 5 (five) consecutive years commencing from August 5, 2020

Special Resolution passed through Postal Ballot

During the year, the Company has carried out postal ballot process in accordance with Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, to obtain consent of members by way of Special Resolution(s) to approve advancing loan(s) to, and/or giving corporate guarantee in connection with any loan taken by, the Company's Subsidiaries/Associates/Group Entities upto an aggregate limit of ₹ 100 Crores (Rupees One Hundred Crores).

The Board appointed Shri Pradeep Pincha (Membership No. FCS 5369) and failing him Shri Akshit Kumar Jangid (Membership No. A44537), Practising Company Secretaries as scrutiniser, for conducting the Postal Ballot process in a fair and transparent manner.

The details of voting pattern of postal ballot resolution is as under:-

Sl. No.	Description of resolution	Total No. of Valid votes	Votes Assenting the Resolution	% of Votes Cast in favour	Votes Dissenting the resolution	% of Votes Cast against
1	To approve advancing loan(s) to, and/or giving corporate guarantee in connection with any loan taken by, the Company's Subsidiaries / Associates / Group Entities upto an aggregate limit of ₹ 100 Crores (Rupees One Hundred Crores)	28799948	26123956	90.7083	2675992	9.2917

The aforesaid resolution was passed with requisite majority.

None of the businesses is proposed to be transacted through Postal Ballot before the ensuing Annual General Meeting.

Procedure for Postal Ballot

Postal Ballot Notice ("Notice") containing the proposed resolution(s) and explanatory statement pursuant to Section 102 and other applicable provisions, if any, of the Act, are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. The Company also dispatches the Notices and Postal Ballot Form ("Form") alongwith postage prepaid envelope to its members whose email addresses are not registered, through permitted mode of dispatch. Further, the Company also gives option to the members to cast their vote electronically instead of dispatching the Form. The Forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutiniser. The Scrutiniser submits his report to the Chairman and the results of the voting by Postal Ballot is declared/announced by the Chairman or any other person authorised by him. The results are also displayed on the Company's website (www.shreecement.com) besides being communicated to the stock exchanges.

Financial Year and Tentative Financial Calendar

The Company follows period of April 1 to March 31 as its Financial Year. Tentative financial calendar for the Financial Year 2021-22 is as under:-

Un-audited Financial Results:	
First Quarter ending on June 30, 2021	Within 45 days from the end of quarter
Second Quarter/half year ending on September 30, 2021	Within 45 days from the end of quarter
Third Quarter ending on December 31, 2021	Within 45 days from the end of quarter
Audited Financial Results:	
Year ending on March 31, 2022	Within 60 days from the end of the financial year

Dividend Payment Date

Particular	Payment Date
Final Dividend for the year 2020-21	on or after August 10, 2021, if declared

Credit Ratings

Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2020-21 are as follows:-

Facilities	Amount (₹ in crores)	Rating	Rating Action
Long Term Bank Facilities	1,100.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short Term Bank Facilities	800.00	CARE A1+ (A One Plus)	Reaffirmed
Total	**1,900.00**		
Commercial Paper	400.00	CARE A1+ (A One Plus)	Reaffirmed

Dividend Distribution Policy

The Dividend Distribution Policy of the Company is as under:-

"Your company has uninterrupted and increasing dividend payout track record since 2000-01. The management is confident of maintaining the same. The yearly outgo of dividend is dependent on the prevalent macro-economic conditions as well as the industry specific scenario. It also depends on the capital expenditure program under implementation. The retained earnings as in past, shall always be used for the expansion of business."

Listing on Stock Exchange(s)

Name of Stock Exchange	Stock Code
BSE Limited P J Towers, Dalal Street, Fort, Mumbai - 400 001	500387
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	SHREECEM EQ

Name of the Depositories (for Demat only)	ISIN
National Securities Depository Ltd. Trade World, 'A' Wing, 4 & 5 Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	INE070A01015
Central Depository Services (India) Ltd. P J Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400 001	INE070A01015

Company's equity shares are part of Nifty 50 index.

The Company has paid listing fees to all the Stock Exchanges where its securities are listed for the financial year 2020-21.

Corporate Identification Number (CIN): L26943RJ1979PLC001935

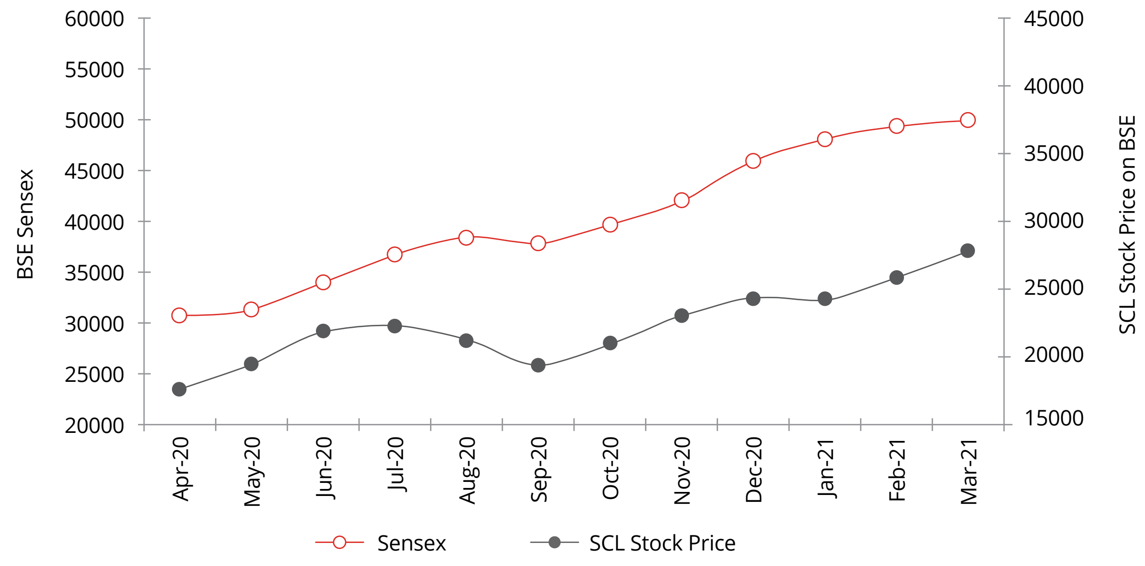
Market Price data

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. Of Shares)
April-20	19,886.10	15,500.00	16,507	19,890.00	15,410.00	12,19,430
May-20	21,022.90	18,025.75	18,505	21,163.35	18,000.00	13,14,543
June-20	23,328.95	20,461.80	31,979	23,330.00	20,700.00	15,13,632
July-20	23,500.00	20,998.00	42,582	23,215.00	21,015.95	12,74,691
August-20	22,521.90	20,036.50	34,539	22,550.00	20,010.00	13,76,756
September-20	20,736.45	18,214.40	42,093	20,849.00	18,183.55	14,11,639
October-20	22,047.25	19,973.55	37,309	22,100.00	20,000.00	16,57,256
November-20	24,674.60	21,508.95	41,695	24,695.95	21,512.10	15,64,272
December-20	25,515.05	23,299.70	39,715	25,655.50	23,249.15	13,60,261
January-21	25,946.95	22,600.00	23,248	25,979.50	22,531.00	10,59,370
February-21	29,097.55	22,710.00	49,395	29,090.00	22,711.95	16,37,903
March-21	29,670.55	26,052.05	33,422	29,660.00	26,100.00	12,46,780
TOTAL			**4,10,989**			**1,66,36,533**

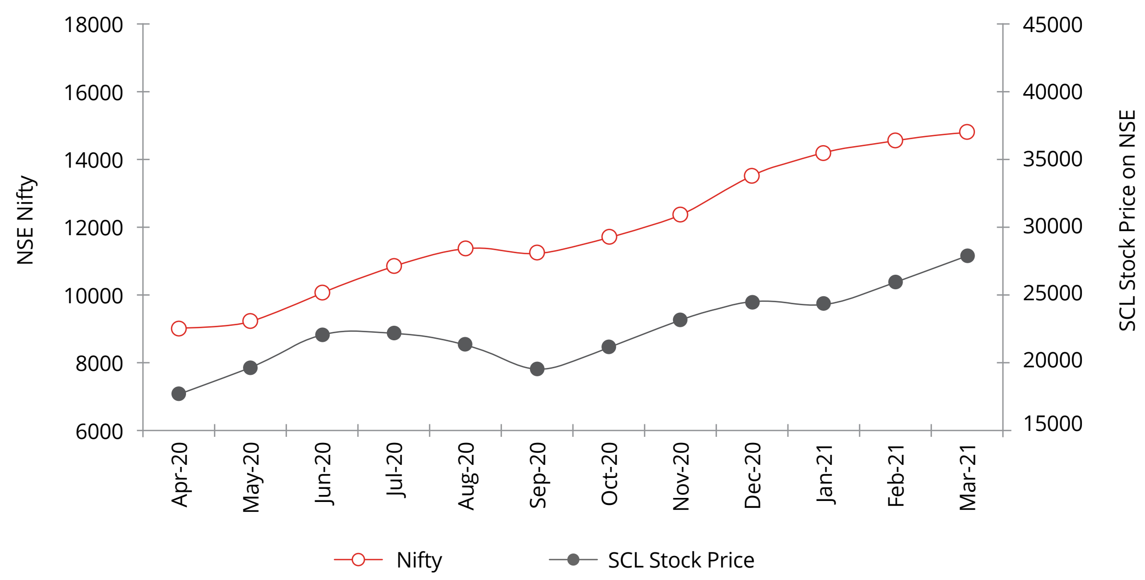
Performance of Company's Share price in comparison to broad-based indices

Indices	BSE (Sensex)	SCL Quote at BSE (₹)	NSE (Nifty)	SCL Quote at NSE (₹)
April 1, 2020 (Open)	29,505.33	17,323.20	8,584.10	17,500.00
March 31, 2021 (Close)	49,509.15	29,475.40	14,690.70	29,465.40
Increase/(Decrease)	20,003.82	12,152.20	6,106.60	11,965.40
% Increase/(Decrease)	67.80%	70.15%	71.14%	68.37%

Movement of Shree Cement's Share price vis-à-vis Sensex in FY 2020-21 (Average of monthly high-low)



Movement of Shree Cement's Share price vis-à-vis Nifty in FY 2020-21 (Average of monthly high-low)



Share Transfer System

Transfer of shares in dematerialised form is done through the Depository Participant (DP) without any involvement of the Company/Registrar & Share Transfer Agent. As regards transfer of shares in physical form, the transfer document can be lodged with Link Intime India Private Limited, Registrar & Share Transfer Agent or with the Company.

The physical shares along with valid, duly executed and stamped Securities Transfer Form (Form No. SH-4) signed by the member (or on his/ her behalf) and the transferee, as and when received, are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferees after observing compliance with the rules in force. The Compliance Officer i.e. Company Secretary has been delegated the power to approve registration of transfers/ transmission/ transposition of shares. Duly transferred share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

However, SEBI vide its Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from April 1, 2019, transfer of securities would not be processed unless the securities are held in the dematerialised form with a depository (except in case of transmission or transposition of securities). Further, SEBI vide its circular no. SEBI/HO/ MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds earlier rejected due to deficient documents. For all such requests, transferred shares were to be issued to transferee's in demat mode only. Now upon expiry of the above cut-off date, in no case shares can be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialise their holdings immediately.

Nomination facility

As per the provisions of Section 72 of the Companies Act 2013, facility for making nominations is available to individuals holding shares of the Company. Members holding shares in physical form, may obtain the Nomination Form (Form SH-13) from the Registered Office of the Company or Registrar & Share Transfer Agent or can be downloaded from the Company's website viz. www.shreecement.com under the section 'Investors>Shareholder Information>Forms'. Investors holding share in electronic form should contact their concerned Depository Participant (DP) directly for nomination.

Unclaimed Dividends and transfer to IEPF

In accordance with the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'), dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. As per practice, Company sends reminders to shareholders whose dividend amount is unpaid before transferring the same to IEPF. During the year, the Company has transferred the amount of unclaimed and unpaid Interim & Final Dividend for year 2012-13 and First Interim for year 2013-14 within the prescribed due date.

For the dates of transfer of unpaid dividend amount to IEPF, please refer the relevant section of Notice of the 42nd Annual General Meeting of the Company. Shareholders are requested to approach the Company, if they have not received/encashed their dividend warrants of relevant year.

In compliance with the IEPF rules, the Company has uploaded the information in respect of dividend amounts remaining unpaid and unclaimed as on date of 41st Annual General Meeting of the Company with the Ministry of Corporate Affairs. The same information has been uploaded on Company's website www.shreecement.com as prescribed in the above referred rules. Shareholders can visit website of MCA/ Company for checking the status of dividend amounts remaining unpaid/unclaimed dividend in respect of their holding in the Company. Members whose unpaid dividends were transferred to IEPF, can claim the amounts by following prescribed procedures/ guidelines which are available at website of the Company at https://www.shreecement.com/investors/ shareholder-information and website of the IEPF authority at http://www.iepf.gov.in/IEPF/refund.html.

Transfer of underlying shares into Investor Education and Protection Fund (IEPF)

In terms of Section 124(6) of the Companies Act, 2013 read with IEPF rules, the Company is required to transfer shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Details of the said shares are available on the website of the Company and can be accessed through the link: https://www.shreecement.com/investors/shareholder-information. The said details have also been submitted with the Ministry of Corporate Affairs and same can be accessed through the link: http://www.iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor. Such shares can be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner.

Usage of electronic payment modes for making dividend payments to the investors

Shareholders can opt for receiving dividend credit directly into their bank account by updating their bank account details with the Depository Participants in case the same are held in dematerialised mode or with the Registrar & Share Transfer Agent of the Company in case the share are held in physical form. The Company, wherever it is possible based on the details submitted by members to Registrar & Share Transfer Agent or Depository Participants, as the case may be, is using electronic modes such as RTGS, NEFT, NECS, Direct Credit for making payment of dividend amounts. In remaining cases, payable at-par demand Drafts / Pay Order are issued in favour of members and dispatched to their registered address.

Disclosure relating to Demat Suspense Account/Unclaimed Suspense Account

Regulation 39(4) of the Listing Regulations read with Schedule VI provides for the manner of dealing with unclaimed shares. As per the provisions, the Company is required to dematerialise such shares which have been returned as undelivered by postal authorities and hold the same in Unclaimed Suspense Account with a Depository. Disclosure pursuant to the unclaimed shares held by the Company as on March 31, 2021 is given below:-

Particulars	Aggregate number of Shareholders	Outstanding shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. April 1, 2020	1	100
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	-	-
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	1	100*
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the end of the year i.e. March 31, 2021	Nil	Nil

* Shares were transferred to Investor Education and Protection Fund (IEPF)

The voting rights on the aforesaid shares shall remain frozen till the rightful owner claims the shares.

Correspondence regarding change of address, bank mandate, etc.

Shareholders are requested to ensure that all events of change of address, change in bank particulars, etc., are intimated to Company or Share Transfer Agent promptly. Such requests duly signed by all holders, where there are more than one, along with supporting documents such as proof of residence and proof of identification should be sent for updating Company's records. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account(s).

Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, depositories and is also placed before the Board of Directors in their meetings.

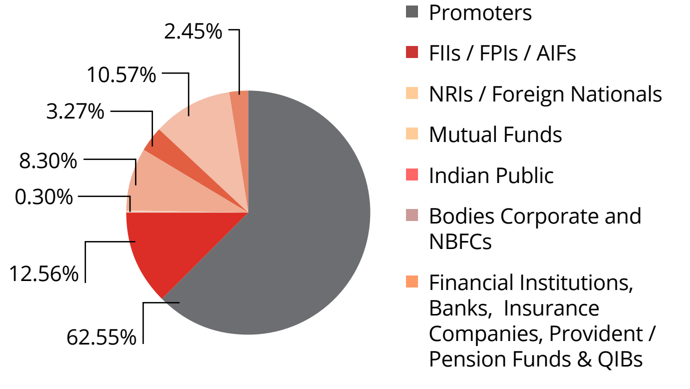
Distribution of Shareholding as on March 31, 2021

Sl. No.	Slab of shares	No. of Holders	% to Holders	No. of Shares	% to Total No. of Shares
1.	1 – 50	19,481	44.46	6,16,540	0.17
2.	51 – 100	10,474	23.90	8,24,410	0.23
3.	101 – 200	5,506	12.57	7,98,750	0.22
4.	201 – 500	4,040	9.22	14,17,150	0.39
5.	501 – 1,000	1,857	4.24	15,48,660	0.43
6.	1,001 – 5,000	1,600	3.65	37,75,640	1.05
7.	5,001 – 10,000	310	0.71	23,54,780	0.65
8.	10,001 and above	552	1.26	34,94,71,550	96.86
	TOTAL	**43,820**	**100.00**	**36,08,07,480**	**100.00**

Note: Total no. of shareholders stated based on no. of Beneficial Account(s) / Folio(s).

Shareholding Pattern

Description	No. of Shares held	
	31/03/2021	% of holding
Promoters	2,25,69,797	62.55%
FIIs / FPIs / AIFs	45,30,547	12.56%
NRIs / Foreign Nationals	1,09,823	0.30%
Mutual Funds	29,93,098	8.30%
Indian Public	11,78,569	3.27%
Bodies Corporate and NBFCs	38,13,730	10.57%
Financial Institutions, Banks, Insurance Companies, Provident / Pension Funds & QIBs	8,85,184	2.45%
Total	**3,60,80,748**	**100.00%**



Dematerialisation of Shares & Liquidity

The trading in the Company's Equity Shares has been permitted in Demat form w.e.f. November 29, 1999. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. In view of the advantage offered by the Depository System, Members are requested to avail the facility of dematerialisation. 89.96% of total equity share capital is held in dematerialised form with NSDL and CDSL as on March 31, 2021 (As on March 31, 2020: 89.91%).

The shares are actively traded at BSE and NSE and have adequate liquidity.

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on March 31, 2021.

Plants Location

RAJASTHAN	
1	**Beawar:** Bangur Nagar, Beawar, Distt.: Ajmer, Rajasthan - 305 901
2	**Ras:** Bangur City, Ras, Tehsil: Jaitaran, Distt.: Pali, Rajasthan - 306 107
3	**Khushkhera:** Plot No. SP3-II / A-1, RIICO Industrial Area, Khushkhera, Tehsil: Bhiwadi, Distt.: Alwar, Rajasthan - 301 707
4	**Suratgarh:** Near N.H.-15, Udaipur - Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan - 335 804
5	**Jobner (Jaipur):** Mahela - Jobner Road, Village: Aslapur, Tehsil: Phulera, Distt.: Jaipur, Rajasthan - 303 331
CHHATTISGARH	
6	**Baloda Bazar:** Village Khapradih, Tehsil- Simga, Distt.: Balodabazar, Chhattisgarh - 493 332
KARNATAKA	
7	**Kodla:** Village Kodla & Benkanhalli, Taluk: Sedam Distt.: Kalaburagi, Karnataka – 585222
UTTARAKHAND	
8	**Laksar (Roorkee):** Akbarpur - Oud, Tehsil: Laksar, Distt.: Haridwar, Uttarakhand - 247 663
HARYANA	
9	**Panipat:** Village – Khukhrarna, P.O. – Asan Kalan, Tehsil – Madlouda, Distt: Panipat (Haryana)
UTTAR PRADESH	
10	**Bulandshahr:** 12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh - 203 205
BIHAR	
11	**Aurangabad:** Industrial Growth Centre Biada, Near Jasoia More, Post: Mojurahi, Distt.: Aurangabad, Bihar - 824 102
JHARKHAND	
12	**Saraikela:** PO-Burudh, Hansda, District : Seraikela - Kharsawan, Jharkhand – 833 210
ODISHA	
13	**Cuttack:** Village - Chandrabalishyampur, Block - Athagarh, District : Cuttack, Odisha – 754 029

Registered Office & Address for Correspondence:

Shree Cement Limited,
Bangur Nagar, Beawar - 305 901
Distt: Ajmer, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Toll Free No.: 1800 180 6003 / 6004
Email: shreebwr@shreecement.com

Shareholders' Queries:

Shri S.S. Khandelwal - Company Secretary
Phone: +91-1462-228101 to 06
Fax: +91-1462-228117/19
Toll Free: 1800 180 6003 / 6004
Exclusive e-mail ID for shareholders' queries: investor@shreecement.com

Clarifications on financial statements:

Shri Subhash Jajoo, Chief Finance Officer
Phone: +91-33-22390601-05
Fax: +91-33-22434226
E-mail: jajoos@shreecement.com

Registrar and Share Transfer Agents:

Link Intime India Private Limited
Unit: SHREE CEMENT LIMITED
C101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083
Tel: 022 – 4918 6270, Fax: 022 – 49186060
Email: rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in
Contact Person: Ms. Saili Lad, Senior Associate

Declaration on Code of Conduct

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended on March 31, 2021.

for **SHREE CEMENT LIMITED**

H. M. Bangur
Managing Director
DIN: 00244329

Place: Dubai
Date : May 21, 2021

Compliance Certificate from CEO/CFO

[Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors,

SHREE CEMENT LIMITED

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, this is to certify that:-

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit and Risk Management Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.

D. We have indicated to the auditors and the Audit and Risk Management Committee:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Subhash Jajoo)
Chief Finance Officer
Place: Kolkata

H. M. Bangur
Managing Director
DIN: 00244329
Place: Dubai

Date: May 21, 2021

Certificate of Non-Disqualification of Directors

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shree Cement Limited having CIN L26943RJ1979PLC001935 and having registered office at Bangur Nagar, Beawar-305 901, Rajasthan (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations, representations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Director	DIN	Date of appointment in the Company
1	Benu Gopal Bangur	00244196	25/10/1979
2	Hari Mohan Bangur	00244329	31/07/1992
3	Prashant Bangur	00403621	23/08/2012
4	Shreekant Somany	00021423	20/10/2000
5	Ratanlal Gaggar	00066068	25/01/1995
6	Sanjiv Krishnaji Shelgikar	00094311	05/08/2015
7	Om Prakash Setia	00244443	31/07/1999
8	Yoginder Kumar Alagh	00244686	29/10/2004
9	Nitin Dayalji Desai	02895410	27/05/2011
10	Prakash Narayan Chhangani	08189579	30/07/2018
11	Uma Ghurka	00351117	11/11/2019

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

For **P. Pincha & Associates**
Company Secretaries
Firm's P.R. Certificate No. 841/2020

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Place: Jaipur
Date: May 1, 2021
UDIN: F005369C000224027

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shree Cement Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit, total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods	
The Company recognises revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included the following: • Considered the appropriateness of Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognised as per the sales agreements; • Assessed the relevant disclosures made in the Standalone financial statements.

Description of Key Audit Matters: (contd.)

Litigation, Claims and Contingent Liabilities	
The Company is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities; • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable', 'possible' and 'remote'; • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the standalone financial statements; • For those matters where Company concluded that no provision should be recorded, we also considered the adequacy and completeness of the Company's disclosures made in relation to contingent liabilities.

Information Other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'B'.**

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Mukesh Dua
Partner
Membership No.085323
UDIN: 21085323AAAABQ7914

Place: New Delhi
Date: May 21, 2021

Annexure'A' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

1) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, fixed assets have been physically verified by the management in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of all the immovable properties are held in the name of the Company.

2) In respect of its inventories:

(a) The management has physically verified the inventories. In our opinion, the frequency of verification is reasonable.

(b) The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.

3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties cover under section 185 of the Act. In respect of investments made by the Company, the provisions of section 186 of the Act have been complied with.

5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

6) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under Section 148 of the Act, and are of the opinion that prima facie, the prescribed Cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

7) (a) According to the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Cess, Goods and Service Tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the details of disputed amount of Income Tax, Value Added Tax, Sales Tax, Goods and Service Tax, Excise Duty, Custom Duty and Service Tax not deposited by the Company are as follows:

Name of the statute	Nature of the dues	Amount under dispute not yet deposited (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
(A) Excise and Service Tax				
Central Excise Act, 1944	Cenvat credit of inputs	0.34	2005-06 to 2007-08	Commissioner (Appeals) of Central Excise and Service Tax
	Cenvat credit of input and capital goods	0.23	2013-14	Central Excise & Service Tax Appellate Tribunal (CESTAT)
	Cenvat credit on capital goods	0.03	2009-10	Rajasthan High Court, Jaipur
Finance Act, 1994	Credit of Service Tax on input services	7.53	2009-10 to 2011-12 & 2015-16 to 2017-18	Central Excise & Service Tax Appellate Tribunal (CESTAT)
Total (A)		**8.13**		
(B) Customs Duty				
Customs Act, 1962	Custom Duty Valuation	15.76	2008-09 to 2009-10 and 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)
Total (B)		**15.76**		
(C) Sales Tax				
Central Sales Tax Act, 1956	Partial Exemption Claim including interest	2.24	1998-99 to 2000-01	Rajasthan High Court, Jodhpur
Rajasthan VAT Act, 2003	Input VAT Credit	6.95	2014-15 to 2017-18	Tax Board, Jaipur
Rajasthan VAT Act, 2003	VAT demand on deemed sale	459.06	2014-15 to 2019-20	Tax Board, Jaipur
Bihar VAT Act, 2005	Input VAT Credit	0.12	2016-17	Joint Commissioner of Commercial Taxes (Appeals) Central Division, Patna
Uttrakhand VAT Act, 2005	Concessional tax diesel used for raw material transportation	0.44	2017-18 to 2018-19	Joint Commissioner of Commercial Taxes (Appeals), Haridwar
Total (C)		**468.81**		
Grand Total (A+B+C)		**492.70**		

8) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans and borrowings to the financial institutions, banks or debenture holders. The Company did not have any outstanding loans and borrowings from government during the year.

9) The company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purpose for which they were obtained.

10) In our opinion and according to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.

11) In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards.

14) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the shares issued through Qualified Institutional Placement during the previous year. According to the information and explanations given by the management, we report that the amount raised were not required for immediate utilisation, hence invested in line with interim use of fund disclosed in the Placement Document. The Company did not make preferential allotment/ private placement of fully or partly convertible debentures during the year.

15) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non- cash transaction with directors or persons connected with him, therefore reporting under clause 3(xv) of the Order are not applicable.

16) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Mukesh Dua
Partner
Membership No.085323
UDIN: 21085323AAAABQ7914

Place: New Delhi
Date: May 21, 2021

Annexure'B' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shree Cement Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Mukesh Dua
Partner
Membership No.085323
UDIN: 21085323AAAABQ7914

Place: New Delhi
Date: May 21, 2021

Standalone Balance Sheet
as at March 31, 2021

(₹ in Crore)

	Notes	As at 31/03/2021	As at 31/03/2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	6	3,790.74	3,959.30
Capital Work-in-Progress	36	970.96	962.11
Intangible Assets	7	26.97	19.37
Right of Use Assets	8	373.84	340.25
Financial Assets			
Investments	9	7,271.28	5,829.17
Loans	10	60.67	52.70
Other Financial Assets	11	69.26	156.17
Deferred Tax Assets (Net)	12	785.50	743.78
Non-Current Tax Assets (Net)		102.00	110.76
Other Non-Current Assets	13	388.09	338.69
		13,839.31	12,512.30
Current Assets			
Inventories	14	1,477.17	1,427.85
Financial Assets			
Investments	15	3,779.33	3,086.26
Trade Receivables	16	485.89	828.45
Cash and Cash Equivalents	17	14.97	15.33
Bank Balances other than Cash and Cash Equivalents	18	194.79	92.83
Loans	10	25.01	7.63
Other Financial Assets	11	149.44	204.18
Other Current Assets	13	1,072.86	1,163.04
		7,199.46	6,825.57
Total Assets		**21,038.77**	**19,337.87**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	36.08	36.08
Other Equity	20	15,213.99	12,900.34
		15,250.07	12,936.42
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	1,331.55	1,638.70
Other Financial Liabilities	22	931.22	944.91
Provisions	23	10.55	9.18
		2,273.32	2,592.79
Current Liabilities			
Financial Liabilities			
Borrowings	24	508.08	708.74
Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises	52	4.06	2.18
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		781.73	525.84
Other Financial Liabilities	22	752.99	1,288.53
Other Current Liabilities	25	1,398.52	1,218.85
Provisions	23	1.91	1.11
Current Tax Liabilities (Net)		68.09	63.41
		3,515.38	3,808.66
Total Equity and Liabilities		**21,038.77**	**19,337.87**
Significant Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Standalone Statement of Profit and Loss
for the year ended March 31, 2021

(₹ in Crore)

	Notes	For the year ended 31/03/2021	For the year ended 31/03/2020
INCOME			
Revenue from Operations	26	12,588.39	11,904.00
Other Income	27	458.00	271.62
Total Income		**13,046.39**	**12,175.62**
EXPENSES			
Cost of Materials Consumed	28	833.59	763.27
Changes in Inventories of Finished Goods and Work-in-Progress	29	42.05	4.97
Employee Benefits Expenses	30	759.72	731.01
Power and Fuel		2,033.32	2,347.62
Freight and Forwarding Expenses	31	3,037.24	2,606.13
Finance Costs	32	247.10	286.52
Depreciation and Amortisation Expenses	6,7 & 8	1,139.90	1,699.42
Other Expenses	33	1,943.02	1,802.54
		10,035.94	10,241.48
Captive Consumption of Cement		(15.27)	(26.07)
Total Expenses		**10,020.67**	**10,215.41**
PROFIT BEFORE TAX		**3,025.72**	**1,960.21**
Tax Expense	42		
Current Tax		763.82	530.16
Tax Expense Relating to Earlier Years (Net)		(10.27)	(5.33)
Deferred Tax (Credit) / Charge		(39.76)	(134.80)
		713.79	390.03
PROFIT FOR THE YEAR		**2,311.93**	**1,570.18**
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss- Re-measurements of the Defined Benefit Plans	38(b)	11.14	6.38
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(3.74)	(2.23)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedge	47	(19.64)	13.51
Income Tax relating to Items that will be Reclassified to Profit or Loss		6.03	(4.72)
		(6.21)	12.94
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (Comprising Profit and Other Comprehensive Income for the Year)		**2,305.72**	**1,583.12**
Earnings per Equity Share of ₹ 10 each (In ₹)	49		
Cash		945.68	888.58
Basic and Diluted		640.77	445.08
Significant Accounting Policies	4		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

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Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Standalone Cash Flow Statement

for the year ended March 31, 2021

(₹ in Crore)

Particulars	For the year ended 31/03/2021		For the year ended 31/03/2020	
A Cash Flow From Operating Activities				
Profit Before Tax		**3,025.72**		**1,960.21**
Adjustments For :				
Depreciation and Amortisation Expenses	1,139.90		1,699.42	
Foreign Exchange Rate Differences (Net)	2.33		(1.38)	
Balances Written Back	(5.67)		(0.91)	
Provision No Longer Required	(19.44)		-	
Allowance for Doubtful Trade Receivables (Net)	0.48		0.40	
Net (Gain)/ Loss on Sale of Investments	(35.13)		3.43	
(Gain)/ Loss on Fair Value of Financial Assets through Profit or Loss	(156.59)		(54.13)	
Interest Income	(225.07)		(173.37)	
Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	(9.16)		(40.75)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(3.22)		(1.29)	
Finance Costs	247.10	935.53	286.52	1,717.94
Operating Profit Before Working Capital Changes		**3,961.25**		**3,678.15**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	393.50		(3.02)	
(Increase) / Decrease in Inventories	(49.32)		161.20	
Increase / (Decrease) in Trade & Other Payables and Provisions	532.03	876.21	400.95	559.13
Cash Generated From Operations		**4,837.46**		**4,237.28**
Direct Taxes Paid (Net of Refunds)		(743.85)		(485.90)
Net Cash Flow From Operating Activities		**4,093.61**		**3,751.38**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipment (Including Capital Work-in-Progress and Capital Advances)	(992.37)		(1,285.11)	
Proceeds from Sale of Property, Plant and Equipment	4.96		4.32	
Payments for Intangible Assets	(10.95)		(13.32)	
Purchases of Investments in Bonds, Debentures and Preference Shares and Strips issued by Govt. of India	(1,979.69)		(1,009.96)	
Proceeds from Sale/ Redemption of Bonds, Debentures and Preference Shares	890.40		157.39	
(Purchases) / Proceeds of Investments in Mutual Funds/ Exchange Traded Funds (Net)	(753.88)		(3,179.58)	
Investment made in Subsidiary Companies	(121.51)		(399.58)	
Loan to Subsidiary Company	(16.75)		-	
Investments in Bank Deposits	(228.64)		(241.86)	
Maturity of Bank Deposits	123.82		406.21	
Change in Earmarked Balances with Banks (Unpaid Dividend)	2.19		(2.40)	
Dividend Received	9.16		44.22	
Interest Received	205.38		146.35	
Net Cash Used in Investing Activities		**(2,867.88)**		**(5,373.32)**

Standalone Cash Flow Statement

for the year ended March 31, 2021

(₹ in Crore)

Particulars	For the year ended 31/03/2021		For the year ended 31/03/2020	
C Cash Flow From Financing Activities				
Proceeds from issue of shares (net of share issue expenses)	-		2,383.34	
Repayment of Long Term Borrowings	(710.30)		(67.50)	
Repayment of Lease Liabilities	(61.51)		(44.47)	
Repayment of Short Term Borrowings	-		(75.00)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(189.15)		304.51	
Interest and Financial Charges Paid	(251.43)		(286.83)	
Dividend and Tax Paid there on (Interim and Final)	(2.19)		(623.06)	
Net Cash (Used in) / From Financing Activities		**(1,214.58)**		**1,590.99**
Net Increase/ (Decrease) in Cash and Cash Equivalents		**11.15**		**(30.95)**
Cash and Cash Equivalents as at the beginning of the Year		**(15.71)**		**15.24**
Cash and Cash Equivalents as at the end of the Year		**(4.56)**		**(15.71)**

Notes :

1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

2 The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.

3 For the purpose of Standalone Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Crore)

	As at 31/03/2021	As at 31/03/2020
Balances with Banks	14.07	13.92
Cash on Hand	0.90	1.41
	14.97	15.33
Less: Bank Overdraft	19.53	31.04
	(4.56)	**(15.71)**

4 Refer Note 43 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

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Independent Director
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Chief Finance Officer
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Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Standalone Statement of Changes in Equity

for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL (Refer Note 19)

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at March 31, 2019	**3,48,37,225**	**34.84**
Changes in equity share capital during the year	12,43,523	1.24
As at March 31, 2020	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at March 31, 2021	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 20)

For the year ended March 31, 2021

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01/04/2020	**15.00**	**2,408.63**	**6,000.00**	**4,506.36**	**(29.65)**	**12,900.34**
Profit for the year				2,311.93		2,311.93
Other Comprehensive Income for the year						
Re-measurements of the Defined Benefit Plans (Net of Tax)				7.40		7.40
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					(13.61)	(13.61)
Transfer to initial carrying amount of hedged items (net of tax) (Refer Note 47)					7.93	7.93
Transfer to /(from) Retained Earnings			500.00	(500.00)		-
Closing Balance as at March 31, 2021	**15.00**	**2,408.63**	**6,500.00**	**6,325.69**	**(35.33)**	**15,213.99**

For the year ended March 31, 2020

(₹ in Crore)

Particulars	Reserves and Surplus				Item of OCI	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Effective Portion of Cash Flow Hedges	
Opening Balance as at 01/04/2019	**15.00**	**26.53**	**5,700.00**	**3,857.49**	**(36.47)**	**9,562.55**
Profit for the year				1,570.18		1,570.18
Other Comprehensive Income for the year						
Re-measurements of the Defined Benefit Plans (Net of Tax)				4.15		4.15
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 47)					8.79	8.79
Transfer to initial carrying amount of hedged items (net of tax) (Refer Note 47)					(1.97)	(1.97)
Transfer to /(from) Retained Earnings			300.00	(300.00)		-
Issue of shares (Net of expenses) (Refer Note 19.5)		2,382.10				2,382.10
Final Dividend on Equity Shares (Note 1 below)				(121.93)		(121.93)
Tax on Final Dividend				(25.06)		(25.06)
Interim Dividend on Equity Shares (Note 2 below)				(396.89)		(396.89)
Tax on Interim Dividend				(81.58)		(81.58)
Closing Balance as at March 31, 2020	**15.00**	**2,408.63**	**6,000.00**	**4,506.36**	**(29.65)**	**12,900.34**

Note 1 : Final Dividend declared at the rate of ₹ 35 per share of ₹ 10 each for FY 2018-19.

Note 2 : Interim Dividend declared at the rate of ₹ 110 per share (including additional dividend of ₹ 40 per share) of ₹ 10 each for FY 2019-20.

Standalone Statement of Changes in Equity

for the year ended March 31, 2021

Nature of Reserves

Capital Redemption Reserve

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Securities Premium

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Effective Portion of Cash Flow Hedges

The Company has designated certain hedging instruments as cash flow hedges and any effective portion is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

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Independent Director
DIN: 00351117
Place: Hyderabad

Notes Forming Part of Standalone Financial Statements

1. CORPORATE INFORMATION

Shree Cement Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District- Ajmer-305901 (Rajasthan) India.

The Company is engaged in the manufacturing and selling of cement and cement related products. It is recognised as one of the most efficient and environment friendly company in the global cement industry.

For Company's principal shareholders, Refer Note No. 19.1.

These financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on May 21, 2021.

2. STATEMENT OF COMPLIANCE

The standalone financial statements (hereinafter referred to as "financial statements") of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

3. NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

a) Amendment to Ind AS 103 'Business Combinations' – change in definition of Business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. The amendments also introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. This amendment does not have material impact on the Company.

b) Amendment to Ind AS 107 and Ind AS 109 - interest rate benchmark reforms

The amendments provide temporary exception from applying specific hedge accounting requirement and allows continuation of hedge accounting when a hedging relationship is directly affected by interest rate benchmark reform only. The amendment also provides for additional disclosure for hedging relationship that is subject to this exception. This amendment does not have material impact on the Company.

c) Amendment to Ind AS 116 'Leases' - COVID-19 related rent concessions

The amendment provides a practical expedient which permits lessee not to account for COVID-19 related rent concession as a lease modification. This amendment does not have material impact on the Company.

d) Amendment to Ind AS 1 and Ind AS 8 – definition of 'Material'

The amendment is not intended to change the underlying 'materiality' concept rather it provides broader guidance and make it easy to understand the meaning of 'material'. This amendment does not have material impact on the Company.

e) Amendment to Ind AS 10 and Ind AS 37 – material non adjusting event

The amendment requires an entity to disclose the nature and estimate of financial effect of a material non-adjusting event after the reporting period. Ind AS 37 specifically requires such disclosure of a non-adjusting material restructuring plan. This amendment does not have material impact on the Company.

(ii) Application of new amendments issued but not yet effective

(a) Amendment in Schedule III of the Companies Act, 2013

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

The Financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments – note 4 (s))
- Employee's defined benefit plan as per actuarial valuation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crore, except otherwise indicated.

b) Classification of Assets and Liabilities into Current/ Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realise the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or
4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/ amortisation and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use, including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All subsequent costs are charged to

Notes Forming Part of Standalone Financial Statements

statement of profit and loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other non-current assets".

Depreciation is provided on written down value method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	3-20 Years
Building	20 Years
Roads	10 Years
Railway Siding	20 Years
Vehicles	5-6 Years
Office Equipment	3-5 Years
Furniture & Fixtures	5 Years

Assets individually costing less than or equal to ₹ 25,000 are fully depreciated in the year of purchase. Freehold land containing mineral reserve is amortised over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects, from the date when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis up to the date of deduction/ disposal.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed and / or derecognised.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/ bringing the asset to its working condition for its intended use.

Amortisation is provided on a written down value method over estimated useful lives, but not exceeding three years except mining rights which is amortised based on units-of-production method.

Expenditure on research phase is recognised as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

The residual values, useful lives and method of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of

Notes Forming Part of Standalone Financial Statements

disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of Cash Generating Unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

g) Revenue Recognition

Revenue is recognised to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognised when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Services Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognised when the right to receive the payment is established. Interest is recognised using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognised as profit or loss on sale/ redemption of investment on the date of transaction.

i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognised only when collection is virtually certain which generally coincides with receipt and are netted off from related expenses.

j) Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognised in the statement of profit and loss on a systematic basis over the period to match them with the related costs.

Grants related to assets are included in non-current liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognised in the statement of profit and loss.

k) Employee Benefits

1) Defined Contribution Plan

Superannuation, Provident Fund, National Pension Scheme and Employees State Insurance Corporation (ESIC) are considered as defined contribution plan and the contributions are charged to the statement of profit and loss for the year in which employees have rendered related services.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust

Notes Forming Part of Standalone Financial Statements

in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

2) Defined Benefit Plan
Gratuity is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expenses.'

Re- measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re- measurements are not reclassified to profit or loss in subsequent periods.

3) Other Long Term Benefits
En-cashable leave in case of employees covered by Cement Wage Board and non en-cashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/ losses, if any, are recognised in the statement of profit and loss in the year in which they arise.

4) Other Short term Benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

l) Foreign Currency Transaction
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also the Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise except the amount of such differences capitalised in accordance with policy on 'Borrowing costs'.

m) Taxation
Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such case the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised

Notes Forming Part of Standalone Financial Statements

in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognised for all taxable temporary difference and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel
These are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

2) Work-in-progress and Finished Goods
These are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

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

o) Provisions and Contingencies

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

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Notes Forming Part of Standalone Financial Statements

Mines Reclamation Expenditure
The Company provides for the expenditure to reclaim the quarries used for mining, in the statement of profit and loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in the statement of profit and loss.

2) Contingencies
Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognised.

p) Leases
At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right-of-use asset measured at inception at the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated amortisation, accumulated impairment losses, if any. Right-of-use assets are amortised on straight line basis over the shorter period of lease term and useful life of the underlying asset.

The right of use assets is presented separately on the face of the Balance sheet as 'Right of Use Assets' and lease liability is presented within 'other financial liabilities' classified as current and non-current.

q) Business Combination
The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Notes Forming Part of Standalone Financial Statements

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognising a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

r) Investment in Subsidiaries
The Company's investments in its subsidiaries are carried at cost less impairment, if any.

s) Financial Instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans, other financial assets and investments.

Classification and Subsequent Measurement
Financial assets are subsequently measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

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

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

c) Financial Assets at Fair Value Through Profit or Loss
A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and

Notes Forming Part of Standalone Financial Statements

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interest income on financial assets at fair value through profit or loss is recognised as dividend and interest income respectively and included in 'other income'.

Derecognition
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities

Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Classification and Subsequent Measurement
The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

a) Financial Liabilities at Fair Value Through Profit or Loss
Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognised in the statement of profit and loss.

b) Other Financial Liabilities
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using effective interest rate method.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

3) Derivative Financial Instruments and Hedge Accounting
The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of profit and loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) Financial Liabilities and Equity Instruments:

Classification as Debt or Equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments
An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the Company are recognised at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

t) Cash and Cash Equivalents
Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

u) Earnings Per Share
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS
The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates is adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statements:

Notes Forming Part of Standalone Financial Statements

a) Deferred Tax Assets
The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilised. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) Property, Plant and Equipment & Intangible Assets
The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Allowances for Uncollected Trade Receivables
Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Contingencies
Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) Mines Reclamation Obligation
The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government bonds of similar tenure.

f) Defined Benefit Plan
The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Refer Note 38 for sensitivity analysis.

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

Notes Forming Part of Standalone Financial Statements

6. PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION / AMORTIZATION				Net Block
	Opening as at 01/04/2020	Additions During the Year	Deductions/ Adjustments During the Year	As at 31/03/2021	Opening as at 01/04/2020	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2021	As at 31/03/2021
Tangible Assets :									
Free Hold Land	1,225.08	224.97	0.02	1,450.03	8.72	2.81	-	11.53	1,438.50
Buildings	1,059.79	105.17	0.70	1,164.26	516.31	143.96	0.03	660.24	504.02
Plant and Equipment	7,474.42	616.09 (a)	15.85	8,074.66	5,314.31	956.10	15.00	6,255.41	1,819.25
Railway Siding	37.65	0.27	-	37.92	20.61	3.99	-	24.60	13.32
Furniture and Fixtures	43.16	2.17	0.18	45.15	39.77	3.25	0.17	42.85	2.30
Office Equipment	64.52	7.70	1.40	70.82	57.39	9.07	1.38	65.08	5.74
Vehicles	41.62	4.51	3.27	42.86	29.83	8.49	3.07	35.25	7.61
Total	**9,946.24**	**960.88**	**21.42**	**10,885.70**	**5,986.94**	**1,127.67 (b)**	**19.65**	**7,094.96**	**3,790.74**

₹ in Crore

Particulars	GROSS BLOCK					DEPRECIATION / AMORTIZATION					Net Block
	Opening as at 01/04/2019	Transfer to Right of Use Assets as at 01/04/2019	Additions During the Year	Deductions/ Adjustments During the Year	As at 31/03/2020	Opening as at 01/04/2019	Transfer to Right of Use Assets as at 01/04/2019	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2020	As at 31/03/2020
Tangible Assets :											
Free Hold Land	1,009.30	-	215.78	-	1,225.08	5.75	-	2.97	-	8.72	1,216.36
Lease Hold Land	314.63	314.63	-	-	-	21.91	21.91	-	-	-	-
Buildings	889.61	-	172.82	2.64	1,059.79	358.98	-	157.34	0.01	516.31	543.48
Plant and Equipment	6,437.69	-	1,054.34 (a)	17.61	7,474.42	3,850.24	-	1,481.45	17.38	5,314.31	2,160.11
Railway Siding	37.59	-	0.13	0.07	37.65	15.56	-	5.09	0.04	20.61	17.04
Furniture and Fixtures	37.41	-	6.07	0.32	43.16	30.21	-	9.88	0.32	39.77	3.39
Office Equipment	51.24	-	14.56	1.28	64.52	42.33	-	16.33	1.27	57.39	7.13
Vehicles	35.69	-	11.91	5.98	41.62	23.14	-	12.56	5.87	29.83	11.79
Total	**8,813.16**	**314.63**	**1,475.61**	**27.90**	**9,946.24**	**4,348.12**	**21.91**	**1,685.62 (b)**	**24.89**	**5,986.94**	**3,959.30**

(a) Includes ₹ 6.32 crore (for the year ended March 31, 2020 ₹ 31.76 crore) for capital expenditure on research and development.

(b) Depreciation for the year includes ₹ 8.25 crore (for the Year ended March 31, 2020 ₹ 9.16 crore) on assets during construction period.

(c) As on transition to Ind AS on July 1, 2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹ 8,508.98 crore and ₹ 5,587.79 crore, respectively

Notes Forming Part of Standalone Financial Statements

7. INTANGIBLE ASSETS

₹ in Crore

Particulars	COST				AMORTIZATION				Net Carrying Amount
	Opening as at 01/04/2020	Additions During the Year	Deductions/ Adjustments During the Year	As at 31/03/2021	Opening as at 01/04/2020	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2021	As at 31/03/2021
Intangible Assets :									
Computer Software	17.47	2.91	0.10	20.28	16.31	3.08	0.10	19.29	0.99
Mining Rights	19.16	8.04	-	27.20	0.95	0.27	-	1.22	25.98
Total	**36.63**	**10.95**	**0.10**	**47.48**	**17.26**	**3.35**	**0.10**	**20.51**	**26.97**

₹ in Crore

Particulars	COST				AMORTIZATION				Net Carrying Amount
	Opening as at 01/04/2019	Additions During the Year	Deductions/ Adjustments During the Year	As at 31/03/2020	Opening as at 01/04/2019	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2020	As at 31/03/2020
Intangible Assets :									
Computer Software	13.23	4.24	-	17.47	12.00	4.31	-	16.31	1.16
Mining Rights	10.08	9.08	-	19.16	0.68	0.27	-	0.95	18.21
Total	**23.31**	**13.32**	**-**	**36.63**	**12.68**	**4.58**	**-**	**17.26**	**19.37**

(a) As on transition to Ind AS on July 1, 2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

Notes Forming Part of Standalone Financial Statements

8. RIGHT OF USE ASSETS

₹ in Crore

Particulars	GROSS CARRYING AMOUNT				AMORTIZATION				Net Carrying Amount
	Opening as at 01/04/2020	Addition during the Year	Deductions/ Adjustments During the Year	As at 31/03/2021	Opening as at 01/04/2020	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2021	As at 31/03/2021
Land	346.41	49.75	-	396.16	29.68	8.06	-	37.74	358.42
Buildings	22.64	1.73	0.13	24.24	6.52	6.26	-	12.78	11.46
Plant and Equipment	3.03	0.63	0.64	3.02	1.68	0.99	-	2.67	0.35
Vehicles	8.46	0.60	1.22	7.84	2.41	1.82	-	4.23	3.61
Total	**380.54**	**52.71**	**1.99**	**431.26**	**40.29**	**17.13**	**-**	**57.42**	**373.84**

₹ in Crore

Particulars	GROSS CARRYING AMOUNT					AMORTIZATION					Net Carrying Amount
	Opening as at 01/04/2019	Transfer from Property, plant and equipment as at 01/04/2019	Additions During the Year	Deductions/ Adjustments During the Year	As at 31/03/2020	Opening as at 01/04/2019	Transfer from Property, plant and equipment as at 01/04/2019	For the Year	Deductions/ Adjustments During the Year	Up to 31/03/2020	As at 31/03/2020
Land	-	314.63	31.78	-	346.41	-	21.91	7.77	-	29.68	316.73
Buildings	22.94	-	2.54	2.84	22.64	-	-	6.52	-	6.52	16.12
Plant and Equipment	2.48	-	0.55	-	3.03	-	-	1.68	-	1.68	1.35
Vehicles	3.28	-	5.18	-	8.46	-	-	2.41	-	2.41	6.05
Total	**28.70**	**314.63**	**40.05**	**2.84**	**380.54**	**-**	**21.91**	**18.38**	**-**	**40.29**	**340.25**

The Company has taken several assets including land, godowns, office premises, vehicles, heavy earth moving machineries on lease.

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
Investments at Cost (A)					
UNQUOTED					
Subsidiary Companies					
Fully Paid Equity Shares					
Shree Global FZE	1 AED	1,35,37,63,500	2,579.89	1,11,50,51,000	2,091.81
Raipur Handling and Infrastructure Private Limited	10	25,53,500	88.40	25,53,500	88.40
Shree Cement East Bengal Foundation (Refer Note 9.3 below)	10	26,000	-	-	-
Partly Paid Equity Shares					
Raipur Handling and Infrastructure Private Limited (Paid up of ₹ 8 per share as at March 31, 2021)	10	8,93,725	11.08	-	-
Share Application Money Paid					
Shree Global FZE			-		377.68
Total (A)			**2,679.37**		**2,557.89**
Investments at Amortised Cost (B)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
8.00% IRFC Tax Free Bonds - 23FB22	1,000	-	-	20,000	2.06
7.21% IRFC Tax Free Bonds - 26NV22	10,00,000	150	15.02	150	15.03
7.22% IRFC Tax Free Bonds - 30NV22	10,00,000	100	10.02	100	10.03
7.18% IRFC Tax Free Bonds - 19FB23	1,000	4,00,000	40.47	8,00,000	81.40
7.19% IRFC Tax Free Bonds - 31JL25	10,00,000	250	25.11	250	25.13
7.15% IRFC Tax Free Bonds - 21AG25	10,00,000	259	26.29	259	26.37
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	305	31.83	305	32.06
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	161.72	7,02,310	78.90
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	300	32.51	300	32.81
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	250	26.92	250	27.15
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	22.55	5,87,000	63.53
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	60.33	-	-
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.53	66	7.63
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.76	5,50,000	55.83
7.28% IRFC Tax Free Bonds - 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	52.20	5,11,350	52.28
Power Finance Corporation					
7.21% PFC Tax Free Bonds - 22NV22	10,00,000	150	15.05	500	50.25
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	250	25.89	250	26.06
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.92	1,000	11.06
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.68	24,000	2.72
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	33.35	300	33.70
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	104.45	68,167	7.87
7.05% PFC Bonds - 09AG30	10,00,000	600	59.99	-	-
7.04% PFC Bonds - 16DC30	10,00,000	1,500	151.16	-	-
6.88% PFC Bonds - 11AP31	10,00,000	150	14.89	-	-
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	-	-	14,38,951	144.97
8.27% NHAI Tax Free Bonds - 05FB24	1,000	1,00,000	10.54	1,00,000	10.71
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	250	25.05	250	25.06
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	330	33.46	330	33.54
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	53.69	-	-

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	26.38	228	26.75
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	17.19	150	16.32
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	177.19	7,71,022	85.87
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	105.80	950	106.57
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	159.62	3,85,462	38.55
Housing and Urban Development Corporation Limited					
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	-	-	10,08,424	103.35
7.34% HUDCO Tax Free Bonds - 16FB23	1,000	1,50,000	15.06	2,50,000	25.16
7.19% HUDCO Tax Free Bonds - 31JL25	10,00,000	68	6.96	68	7.00
7.07% HUDCO Tax Free Bonds - 01OT25	10,00,000	250	25.14	250	25.16
7.00% HUDCO Tax Free Bonds - 09OT25	10,00,000	120	12.15	120	12.18
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.24	2,80,066	28.28
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.90	37,645	3.92
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	104.85	9,70,000	105.91
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.77	1,19,000	12.87
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	5.06	44	5.13
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.34	20,000	2.37
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.46	11,00,439	115.62
India Infrastructure Finance Company Limited					
7.21% IIFCL Tax Free Bonds - 21NV22	10,00,000	-	-	150	15.13
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	8,50,000	85.52	8,50,000	85.78
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	50,000	5.06	50,000	5.09
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	50	5.12	50	5.16
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	50,000	5.21	50,000	5.29
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	1,53,000	16.05	1,53,000	16.29
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.60	250	26.79
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.36	150	15.40
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	46.80	4,46,000	47.05
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.61	1,50,000	15.68
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	11.20	100	11.33
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.72	130	14.90
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	7.25	64	7.34
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.34	11,680	1.36
Rural Electrification Corporation					
7.21% REC Tax Free Bonds - 21NV22	10,00,000	-	-	250	25.12
7.22% REC Tax Free Bonds - 19DC22	1,000	50,000	5.08	50,000	5.13
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.99	45,564	5.05
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.65	1,00,000	10.73
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.43	181	20.67
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	36.69	3,00,000	34.27
7.50% REC Bonds - 28FB30	10,00,000	1,000	101.29	-	-
7.55% REC Bonds - 11MY30	10,00,000	738	75.08	-	-
6.80% REC NCD - 20DC30	10,00,000	250	24.91	-	-
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.45	150	15.53
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.90	8,68,838	87.97
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	100	10.54	100	10.63

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
6.39% NABARD Bonds - 19NV30	10,00,000	750	71.74	-	-
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	51.48	3,91,829	44.13
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	450	47.35	450	47.81
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	46.35	400	47.03
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	18.66	-	-
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	42.05	-	-
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	-	-	200	20.16
Birla Corporation Limited					
9.25% Birla Corporation Limited NCD - 18AG26	10,00,000	400	41.35	400	41.55
Housing Development Finance Corporation Limited					
7.40% HDFC NCD - 28FB30	10,00,000	350	35.48	-	-
7.25% HDFC NCD - 17JUN30	10,00,000	1,800	181.00	-	-
6.83% HDFC NCD - 8JN31	10,00,000	1,610	157.20	-	-
LIC Housing Finance Limited					
7.95% LICHF Bonds - 29JN28	10,00,000	200	21.10	-	-
7.99% LICHF Bonds - 12JL29	10,00,000	335	35.68	-	-
Hero FinCorp Limited					
6.95% HERO FIN CORP Bonds - 03NV25	10,00,000	500	49.76	-	-
Mahindra Rural Housing Finance LImited					
7.75% MRHFL Bonds - 15JL25	10,00,000	500	51.15	-	-
Food Corporation of India					
6.65% FCI Bonds - 23OT30	10,00,000	450	43.24	-	-
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds - 11OT30	10,00,000	1,000	100.00	-	-
6.85% MTNL Bonds - 20DC30	10,00,000	750	73.01	-	-
Total (B)			**3,592.07**		**2,298.66**
Investments at Fair Value through Profit or Loss (C)					
QUOTED					
Perpetual Bonds					
Bank of Baroda					
8.70% Bank of Baroda Non Convertible Perpetual Bond	10,00,000	-	-	1,740	165.55
State Bank of India					
8.50% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	850	83.28
9.56% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	250	25.56
8.75% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	1,250	123.66
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 9.4)					

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. May 16, 2021	7,500	-	-	52,000	-
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. October 5, 2022	7,500	13,500	-	13,500	-
L&T Finance Holdings Limited					
7.50% Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par as at December 22, 2023	100	20,00,000	19.23	20,00,000	18.70
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	-	-	3,50,00,000	41.68
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	-	-	7,50,00,000	89.35
Aditya Birla Sun Life Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	-	-	10,00,00,000	118.87
Kotak FMP Series 216 Direct - Growth	10	-	-	3,00,00,000	35.82
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	1,00,00,000	11.08	1,00,00,000	10.12
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	149.99	-	-
In Exchange Traded Funds					
Bharat Bond ETF - April 2023 - Growth	1,000	12,50,000	139.63	12,50,000	127.94
Bharat Bond ETF - April 2031 - Growth	1,000	39,99,800	407.30	-	-
Nippon India ETF Nifty CPSE Bond Plus SDL 2024 Maturity	100	97,82,600	100.78	-	-
In strips issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	7.20	-	-
CSTRIP GS 12-DEC-2027C	100	10,59,600	6.91	-	-
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	63.87	-	-
CSTRIP GS 12-JUN-2028C	100	10,59,600	6.64	-	-
CSTRIP GS 12-DEC-2028C	100	10,59,600	6.40	-	-
CSTRIP GS 12-JUN-2029C	100	10,59,600	6.21	-	-
UNQUOTED					
Preference Shares					
Tata Capital Limited					
7.50% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. September 15, 2023	1,000	-	-	6,00,000	59.21
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. July 27, 2024	1,000	7,50,000	74.60	7,50,000	72.88
Total (C)			**999.84**		**972.62**
TOTAL (A+B+C)			**7,271.28**		**5,829.17**

Notes Forming Part of Standalone Financial Statements

9. NON CURRENT INVESTMENTS (contd.)

9.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

₹ in Crore

	As at 31/03/2021		As at 31/03/2020	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
- In Bonds, Debentures, Preference shares, Mutual Funds, Exchange Traded Funds and Strips issued by the Govt. of India	4,517.31	4,704.50	3,139.19	3,223.55
Total	**4,517.31**	**4,704.50**	**3,139.19**	**3,223.55**

9.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

	As at 31/03/2021	As at 31/03/2020
Aggregate carrying amount of unquoted investments	**2,753.97**	**2,689.98**

9.3 The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Accordingly, the aforesaid investment value of ₹ 0.03 crore has been charged off to profit and loss during the current year.

9.4 In August, 2018, credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as "IL&FS Group") credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

10. FINANCIAL ASSETS - LOANS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
(Unsecured, Considered Good)				
Loans to Staff and Workers	4.46	5.68	4.48	5.47
Security Deposits (Refer Note 41)	56.21	47.02	3.78	2.16
Loan to Subsidiary (Refer Note 41 and Note 50)	-	-	16.75	-
	60.67	**52.70**	**25.01**	**7.63**

11. FINANCIAL ASSETS - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	2.21	3.01
Derivative Financial Instruments	50.59	138.17	10.44	103.98
Fixed Deposits with Banks (maturity more than 12 months)	18.67	18.00	-	-
Interest Accrued on Bonds, Debentures and Deposits (Refer Note 41)	-	-	136.79	95.91
Others	-	-	-	1.28
	69.26	**156.17**	**149.44**	**204.18**

Notes Forming Part of Standalone Financial Statements

12. DEFERRED TAX ASSETS (NET)

₹ in Crore

	As at 31/03/2020	Recognised in P&L	Recognised in OCI	Recognised in Equity	As at 31/03/2021
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	4.09	21.08	-	-	25.17
Expenses allowed for tax purpose when paid	204.15	2.00	-	-	206.15
Depreciation and Amortization	487.46	39.32	-	-	526.78
Cash Flow Hedges	15.93	-	6.03	(4.07)	17.89
Fair Value of Investments	58.91	(22.80)	-	-	36.11
Others	0.65	0.14	-	-	0.79
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	23.27	0.10	-	-	23.37
Others	4.14	(0.12)	-	-	4.02
Net Deferred Tax Assets/ (Liabilities)	**743.78**	**39.76**	**6.03**	**(4.07)**	**785.50**

₹ in Crore

	As at 31/03/2019	Recognised in P&L	Recognised in OCI	Recognised in Equity	As at 31/03/2020
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	1.55	2.54	-	-	4.09
Expenses allowed for tax purpose when paid	186.71	17.44	-	-	204.15
Depreciation and Amortization	343.16	144.30	-	-	487.46
Cash Flow Hedges	19.59	-	(4.72)	1.06	15.93
MAT Credit Entitlement	19.43	(19.43)	-	-	-
Fair Value of Investments	45.53	13.38	-	-	58.91
Others	0.51	0.14	-	-	0.65
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	-	23.27	-	-	23.27
Others	3.84	0.30	-	-	4.14
Net Deferred Tax Assets/ (Liabilities)	**612.64**	**134.80**	**(4.72)**	**1.06**	**743.78**

Notes Forming Part of Standalone Financial Statements

13. OTHER ASSETS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
(Unsecured, Considered Good)				
Advances to Suppliers and Contractors	-	-	109.78	126.39
Capital Advances	312.61	295.44	-	-
Assets Held for Disposal	-	-	0.08	0.08
Prepaid Expenses	3.97	2.45	7.97	4.11
Other Receivables	71.51	40.80	955.03	1,032.46
	388.09	**338.69**	**1,072.86**	**1,163.04**

13.1 Other receivables includes GST/Sales tax, Government grants and other dues from Government etc.

14. INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Raw Materials [Includes in transit ₹ 14.41 crore (As at March 31, 2020: ₹ 13.16 crore)]	68.79	65.43
Fuel [Includes in transit ₹ 414.02 crore (As at March 31, 2020: ₹ 339.05 crore)]	578.75	520.94
Stores and Spares	563.63	556.99
Packing Materials	46.57	23.01
Work-in-Progress [Includes in transit ₹ 22.91 crore (As at March 31, 2020: ₹ 8.46 crore)]	145.83	169.63
Finished Goods [Includes in transit ₹ 17.37 crore (As at March 31, 2020: ₹ 15.31 crore)]	73.60	91.85
	1,477.17	**1,427.85**

15. CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021		As at 31/03/2020	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	200	20.07	-	-
Housing and Urban Development Corporation Limited					
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	10,08,424	102.09	-	-
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	4,38,951	44.05	-	-
Total (A)			**166.21**		-
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	3,50,00,000	44.25	-	-
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	7,50,00,000	95.10	-	-
Aditya Birla Sun Life Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	10,00,00,000	126.50	-	-
Kotak FMP Series 216 Direct - Growth	10	3,00,00,000	38.28	-	-

Notes Forming Part of Standalone Financial Statements

15. CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021		As at 31/03/2020	
		No.	Amount	No.	Amount
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	20,77,11,465	628.97	20,77,11,465	603.80
SBI Arbitrage Opportunities Fund - Direct Plan- Growth	10	3,59,47,544	98.05	8,02,31,715	212.36
ICICI Prudential Equity Arbitrage Fund - Drt Growth	10	20,99,60,326	588.98	20,99,60,326	566.52
Aditya Birla Sun Life Arbitrage Fund - Growth Direct Plan	10	11,30,09,186	246.15	11,30,09,186	236.49
HDFC Arbitrage Fund - WP-DP-Growth	10	11,23,81,015	173.42	15,00,29,041	223.32
UTI Arbitrage Fund - Direct Growth Plan	10	3,49,16,053	99.35	4,42,55,423	120.93
IDFC Arbitrage Fund - Growth (Direct Plan)	10	15,12,00,057	404.61	19,27,81,910	496.04
Nippon India Arbitrage Fund - Direct Growth Plan	10	22,16,66,710	483.83	22,16,66,710	463.95
Axis Arbitrage Fund - Direct Growth (EA-DG)	10	10,96,05,472	169.26	10,96,05,472	162.85
Nippon India Dynaminc Bond Fund - Direct Growth Plan	10	8,28,06,868	251.34	-	-
Kotak Overnight Fund Direct - Growth	1,000	4,09,883	45.00	-	-
ABSL Overnight Fund Direct - Growth	1,000	2,69,688	30.01	-	-
ICICI Prudential Overnight Fund DP Growth	100	45,05,485	50.00	-	-
Axis Overnight Fund DP Growth	1,000	3,67,852	40.02	-	-
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 9.4)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. March 25, 2021	7,500	28,000	-	28,000	-
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. May 16, 2021	7,500	52,000	-	-	-
IL&FS Financial Services Ltd. (Refer Note 9.4)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. March 30, 2021	7,500	33,400	-	33,400	-
Total (B)			**3,613.12**		**3,086.26**
TOTAL (A+B)			**3,779.33**		**3,086.26**

Notes Forming Part of Standalone Financial Statements

15. CURRENT INVESTMENTS (contd.)

15.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

₹ in Crore

	As at 31/03/2021		As at 31/03/2020	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
- In Bonds, Preference Shares and Mutual Funds	3,779.33	3,782.96	3,086.26	3,086.26
Total	**3,779.33**	**3,782.96**	**3,086.26**	**3,086.26**

15.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

₹ in Crore

	As at 31/03/2021		As at 31/03/2020	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
	-		-	

16. TRADE RECEIVABLES

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Secured, Considered Good	370.39	381.89
Unsecured		
Considered Good	115.50	446.56
Considered significant increase in credit risk	2.35	1.87
	488.24	**830.32**
Less: Allowance for Doubtful Trade Receivables	2.35	1.87
	485.89	**828.45**

16.1 Refer Note 46 for information about credit risk and market risk of trade receivables.

16.2 The average payment terms with customers is 3-30 days.

17. CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Balances with Banks	14.07	13.92
Cash on Hand	0.90	1.41
	14.97	**15.33**

18. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Earmarked Balance with Banks for Unpaid Dividend (Refer note 22.1)	4.09	6.28
Margin Money (Pledged with Banks) (Refer note 18.1 below)	40.71	38.31
Fixed Deposits With Banks (Refer note 18.2 below)	168.66	66.24
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 11)	(18.67)	(18.00)
	194.79	**92.83**

18.1 Includes deposits of ₹ 27.00 crore (As at March 31, 2020: ₹ 27.00 crore) are pledged with banks against overdraft facilities. (Refer Note 24.2)

18.2 Includes ₹ 67.53 crore (As at March 31, 2020: ₹ 65.23 crore) given as security to Government department and others.

Notes Forming Part of Standalone Financial Statements

19. SHARE CAPITAL

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Authorised		
6,00,00,000 (As at March 31, 2020: 6,00,00,000) Equity Shares of ₹ 10/- each	60.00	60.00
15,00,000 (As at March 31, 2020: 15,00,000) Cumulative Preference Shares of ₹ 100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at March 31, 2020: 3,60,80,748) Equity Shares of ₹ 10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

19.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31/03/2021		As at 31/03/2020	
	Number of Shares held	% of Total Paid-up Equity Share Capital	Number of Shares held	% of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

19.2 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

19.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.4 Reconciliation of the Shares Outstanding at the beginning and at the end of the year

₹ in Crore

Particulars	Numbers	Amount
Equity shares outstanding as at April 1, 2019	3,48,37,225	34.84
Add: Equity shares issued during the year (Refer Note 19.5)	12,43,523	1.24
Equity shares outstanding as at March 31, 2020	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at March 31, 2021	**3,60,80,748**	**36.08**

19.5 During the year ended March 31, 2020, the Company through Qualified Institutions Placement (QIP) allotted 12,43,523 Equity Shares (fully paid up) to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 19,300 per equity share of face value of ₹ 10 each (inclusive of premium of ₹ 19,290 per equity share) aggregating to ₹ 2,400 crore. The issue was made in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and with the applicable provisions of the Companies Act, 2013. Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹ 34.84 crore comprising of 3,48,37,225 equity shares to ₹ 36.08 crore comprising of 3,60,80,748 equity shares. Share issue expenses are charged off against securities premium.

Notes Forming Part of Standalone Financial Statements

19. SHARE CAPITAL (contd.)

19.6

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:	Nil	Nil

19.7 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

20. OTHER EQUITY

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Capital Redemption Reserve	15.00	15.00
Securities Premium	2,408.63	2,408.63
General Reserve	6,500.00	6,000.00
Retained Earnings	6,325.69	4,506.36
Effective Portion of Cash Flow Hedges	(35.33)	(29.65)
	15,213.99	**12,900.34**

20.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

21. BORROWINGS

₹ in Crore

	Non-Current Portion		Current Maturities	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Secured				
External Commercial Borrowings	1,331.55	1,638.70	293.60	796.75
	1,331.55	**1,638.70**	**293.60**	**796.75**
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note 22)	-	-	(293.60)	(796.75)
	1,331.55	**1,638.70**	**-**	**-**

Notes Forming Part of Standalone Financial Statements

21. BORROWINGS (contd.)

21.1 Nature of securities and terms of repayment of each loan:

₹ in Crore

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31/03/2021	Loan Amount as at 31/03/2020	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all movable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	6 Months USD LIBOR+1% (Fixed rate of 8.30% including the effect of related cross currency and interest rate swaps)	-	301.54	Fully repaid on 08/05/2020
			-	301.54	Fully repaid on 24/09/2020
		3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on INR including the effect of related cross currency and interest rate swaps)	813.79	937.98	Repayable in 8 half yearly equal instalments of USD 1.389 crore w.e.f. 28/09/2021
		3 Months USD LIBOR+0.71% (Fixed rate of 7.82% on INR including the effect of related cross currency and interest rate swaps)	328.98	374.35	Repayable in 6 half yearly instalments w.e.f. 27/09/2021 (First two instalments of USD 0.25 crore each, next two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)
		2.72% on SGD (Fixed rate of 7.96% on INR including the effect of related cross currency and interest rate swaps [USD to INR])	482.38	520.04	Repayable in 6 half yearly instalments w.e.f. 27/09/2021 (First two instalment of SGD 0.49 crore each (i.e USD 0.375 crore each), next two instalments of SGD 0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each))
	TOTAL		**1,625.15**	**2,435.45**	
	Less: Current Maturities of Long Term Debt		293.60	796.75	
	Total Non-Current Portion		**1,331.55**	**1,638.70**	

There is no default in repayment of principal and interest thereon.

Notes Forming Part of Standalone Financial Statements

22. FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Current Maturities of Long-Term Debt	-	-	293.60	796.75
Lease Liabilities	14.68	20.96	8.07	10.37
Interest Accrued but not Due on Borrowings	-	-	0.24	4.39
Derivative Financial Instruments	71.97	144.93	18.68	16.91
Unpaid Dividends (Refer Note 22.1)	-	-	4.09	6.28
Security Deposits from Customers, Vendors & Others	844.57	779.02	6.32	6.79
Payable for Capital Goods	-	-	63.05	76.80
Others (Refer Note 22.2)	-	-	358.94	370.24
	931.22	**944.91**	**752.99**	**1,288.53**

22.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at March 31, 2021 and March 31, 2020 (Refer note 18).

22.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

23. PROVISIONS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Provision for Employee Benefits				
Gratuity [Refer note 38(b)]	-	-	0.56	0.27
Other Staff Benefit Schemes	2.88	2.07	0.83	0.24
Other Provisions				
Mines Reclamation Expenses (Refer Note 39)	7.67	7.11	0.52	0.60
	10.55	**9.18**	**1.91**	**1.11**

24. CURRENT BORROWINGS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Secured		
Loans Repayable on Demand from Banks (Refer Note 24.1)	289.61	637.70
Bank Overdraft (Refer Note 24.2)	19.53	31.04
Unsecured		
Loans Repayable on Demand from Banks	-	40.00
Commercial Papers	198.94	-
	508.08	**708.74**

24.1 As at March 31, 2021 - Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

As at March 31, 2020 - Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis and also secured by joint equitable mortgage on all the immovable assets of the Company situated at Beawar on second charge basis.

24.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 18.1)

24.3 There is no default in repayment of principal and interest thereon.

Notes Forming Part of Standalone Financial Statements

25. OTHER CURRENT LIABILITIES

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Customers Advances (Refer Note 25.1)	193.87	204.68
Withholding and Other Taxes Payable	286.26	130.00
Provident Fund and Superannuation Payable	16.71	13.80
Other Statutory Liabilities	901.68	870.37
	1,398.52	**1,218.85**

25.1 Revenue of ₹ 196.00 crores (for the year ended March 31, 2020: ₹ 123.57 crores) is recognised during current year that was included in Customer Advances outstanding at the beginning of the year.

26. REVENUE FROM OPERATIONS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Sale of Products		
Cement	12,037.38	10,856.26
Clinker	157.37	267.31
Power Sales	105.98	515.59
	12,300.73	**11,639.16**
Other Operating Revenue		
Incentives and Subsidies (under various incentive schemes of State and Central Government)	255.91	237.59
Scrap Sales	27.24	23.72
Others	4.51	3.53
	287.66	**264.84**
	12,588.39	**11,904.00**

26.1 Sale of products is net of ₹ 812.08 crore (for the year ended March 31, 2020 : ₹ 803.72 crore) on account of cash discount, rebates and incentives given to customers.

27. OTHER INCOME

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Interest Income		
On Deposits Classified at Amortised cost	12.80	24.60
On Bonds and Debentures Classified at Amortised cost	205.47	144.22
On Tax Refund	6.02	3.14
Others	0.78	1.41
Dividend Income on Investments Classified at Fair Value through Profit or Loss	9.16	40.75
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	23.70	-
Classified at Fair Value through Profit or Loss	11.43	(3.43)
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	156.59	54.13
Profit on Sale of Property, Plant and Equipment (Net)	3.87	3.92
Provision No Longer Required	19.44	-
Balances Written Back	5.67	0.91
Other Miscellaneous Income	3.07	1.97
	458.00	**271.62**

Notes Forming Part of Standalone Financial Statements

28. COST OF MATERIALS CONSUMED

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Raw Materials Consumed		
Gypsum	210.26	230.83
Fly Ash	297.07	265.68
Red Ochre and Slag	94.92	58.81
Sulphuric Acid	46.37	43.90
Others	184.97	164.05
	833.59	**763.27**

29. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Closing Stock		
Work-in-Progress	145.83	169.63
Finished Goods	73.60	91.85
	219.43	**261.48**
Opening Stock		
Work-in-Progress	169.63	178.56
Finished Goods	91.85	87.89
	261.48	**266.45**
(Increase) / Decrease	**42.05**	**4.97**

30. EMPLOYEE BENEFITS EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Salaries, Wages and Bonus (Refer note 38)	658.66	630.35
Contribution to Provident and other Funds (Refer note 38)	86.83	84.59
Staff Welfare Expenses	14.23	16.07
	759.72	**731.01**

31. FREIGHT AND FORWARDING EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
On Finished Products	2,214.56	1,875.35
On Inter Unit Clinker Transfer	822.68	730.78
	3,037.24	**2,606.13**

Notes Forming Part of Standalone Financial Statements

32. FINANCE COSTS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Interest Expenses at amortised cost	242.49	286.20
Bank and Finance Charges	1.82	1.65
Interest Expenses on Lease Liabilities (under Ind AS 116 - 'Leases')	2.21	2.87
Unwinding of Discount on Provision	0.58	0.54
	247.10	**291.26**
Less: Interest Capitalised (Refer Note 32.1)	-	4.74
	247.10	**286.52**

32.1 During the year ended March 31, 2020, borrowing costs are capitalised using interest rates ranging between 7.81% to 7.96% per annum.

33. OTHER EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Stores and Spares Consumed	289.01	303.78
Packing Materials Consumed	417.31	344.39
Royalty and Cess	287.47	275.15
Mines Reclamation Expenses	0.61	0.62
Repairs to Plant and Machinery	250.00	267.64
Repairs to Buildings	29.39	31.48
Rent (Refer note 33.1)	12.14	12.28
Insurance	10.44	5.36
Rates and Taxes	57.58	11.87
Travelling	30.80	38.08
Commission to Non-executive Directors	2.31	2.00
Directors' Sitting Fees and Expenses	0.59	0.67
Advertisement and Publicity	133.31	114.68
Sales Promotion and Other Selling Expenses	182.10	164.66
Foreign Exchange Rate Differences (Net)	0.26	0.64
Corporate Social Responsibility Expenses (Refer Note 33.2)	45.73	40.47
Assets Written Off	0.65	2.63
Allowance for Doubtful Trade Receivables (Net)	0.48	0.40
Contribution to Electrol Bonds/ Political Parties	12.00	11.50
Miscellaneous (Refer Note 33.3)	180.84	174.24
	1,943.02	**1,802.54**

33.1 Rent expenses are relating to the various short term leases accounted by applying exemption under Ind AS 116 - 'Leases'.

33.2 Details of Corporate Social Reponsibility Expenses

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended March 31, 2021 is ₹ 44.84 crore (previous year: ₹ 40.31 crore).

(b) Amount spent on Corporate Social Responsibility on

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	45.73	40.47

Notes Forming Part of Standalone Financial Statements

33. OTHER EXPENSES (contd.)

33.3 Miscellaneous Expenses include the payments made to Auditors:

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Statutory Auditors		
Audit Fees	0.45	0.42
Certification / Other Services (for the year ended March 31, 2020: includes ₹ 0.15 crore in relation to services given for Qualified Institutional Placement (QIP) which has been charged off against securities premium)	0.12	0.25
Reimbursement of Expenses (For the year ended March 31, 2021 - ₹ 41,250)	0.00	0.14
Cost Auditors		
Audit Fees	0.05	0.05
Certification / Other Services	-	-
Reimbursement of Expenses [₹ Nil (Previous year ₹ 21,002)]	-	-

34. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹ 69.35 crore (As at March 31, 2020: ₹ 66.93 crore)

b. (i) Competition Commission of India (CCI), vide its order dated August 31, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of Competition Act. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated November 7, 2016, granted stay on CCI order subject to deposition of 10% of penalty amount and levy of interest of 12% p.a. on balance amount if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

(ii) In another matter, CCI vide its order dated January 19, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

c. The Divisional Bench of the Hon'ble Rajasthan High Court vide Judgement dated December 6, 2016 has allowed the appeal filed by Commercial Taxes Department/ Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of the Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of the Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before the Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹ 73.08 crore received and ₹ 282.30 crore not received though accounted for.

Notes Forming Part of Standalone Financial Statements

35. COMMITMENTS

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 785.29 crore (As at March 31, 2020: ₹ 270.25 crore).

b. Uncalled liability on partly paid up equity shares of ₹ 2.50 Crore (As at March 31, 2020: ₹ NIL).

36. Capital work-in-progress includes directly attributable expenses of ₹ 73.42 crore (As at March 31, 2020: ₹ 78.94 crore) which includes depreciation of ₹ 8.10 crore (for year ended March 31, 2020: ₹ 13.94 crore) on assets during construction period.

37. EXPENDITURE ON RESEARCH AND DEVELOPMENT

₹ in Crore

Particulars	2020-21				2019-20
	Beawar	Ras	Others	Total	
Capital	0.39	2.30	3.63	6.32	31.76
Revenue	4.84	8.40	8.30	21.54	16.64
Total	**5.23**	**10.70**	**11.93**	**27.86**	**48.40**

38. EMPLOYEE BENEFITS: (REFER NOTE 30)

(a) Contribution to defined contribution plans recognised as expenses are as under:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Superannuation Fund	8.68	7.99
Provident Fund (Includes contribution to PF trust of ₹ 5.61 crore (₹ 4.91 crore for the year ended March 31, 2020))	55.12	52.02
National Pension Scheme	3.48	4.89
ESIC	0.26	0.14
Total	**67.54**	**65.04**

(b) Defined Benefit Plan

Gratuity - The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

Disclosure for defined benefit plans based on actuarial reports:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	264.63	238.97
Current service cost	24.29	23.87
Interest cost	18.10	16.61
Re-measurements (gains)/losses	(12.33)	(4.19)
Benefits paid	(8.50)	(10.63)
Present Value of Defined Benefit Obligation at the end of the year	**286.19**	**264.63**
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	264.36	238.81
Expected Return on Plan Assets	18.51	16.60
Re-measurements gains/(losses)	(1.19)	2.19
Contribution by employer	12.45	17.39
Benefits paid	(8.50)	(10.63)
Fair Value of Plan Assets at the end of the year	**285.63**	**264.36**

Notes Forming Part of Standalone Financial Statements

38. EMPLOYEE BENEFITS: (REFER NOTE 30) (contd.)

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Expenses Recognised in the Statement of Profit and Loss		
Current service cost	24.29	23.87
Interest cost	18.10	16.61
Expected return on plan assets	(18.51)	(16.60)
Expenses Recognised in the Statement of Profit and Loss	**23.88**	**23.88**
Expenses recognised in Other Comprehensive Income (OCI)		
Return on plan assets (excluding amount included in net Interest expense)	1.19	(2.19)
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	4.90	7.90
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(17.23)	(12.09)
Total recognised in Other Comprehensive Income	**(11.14)**	**(6.38)**
Total recognised in Total Comprehensive Income	**12.74**	**17.50**
Amount recognised in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	286.19	264.63
Fair Value of Plan Assets	285.63	264.36
Net Liability	0.56	0.27
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Discount rate	6.50 % per annum	6.95 % per annum
Salary Growth Rate	12.15 % per annum	12.46 % per annum
Mortality rate	IALM 2006-08 Ult.	IALM 2012-14 Ult.
Expected rate of return	6.50 % per annum	7.50% per annum
Withdrawal rate (Per Annum)	3.00% p.a.(18 to 30 Years)	3.00% p.a.(18 to 30 Years)
Withdrawal rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)
Withdrawal rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as: interest rate risk, longevity risk and salary risk.

The Gratuity Scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on March 31, 2021 are as follows:

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation	(29.41)	34.92	32.71	(28.28)	(10.63)	12.18

Notes Forming Part of Standalone Financial Statements

38. EMPLOYEE BENEFITS: (REFER NOTE 30) (contd.)

Sensitivity Analysis for significant assumptions as on March 31, 2020 are as follows:

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation	(28.90)	34.47	32.32	(27.82)	(9.91)	11.42

The Company expects to contribute ₹ 21.68 Crore (Previous year: ₹ 12.75 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligation as at March 31, 2021 is 8 years (as at March 31, 2020: 10 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Within next 1 year	7.47	6.56
Between 1 and 2 years	17.26	12.75
Between 2 and 3 years	19.26	16.42
Between 3 and 4 years	18.04	17.78
Between 4 and 5 years	13.12	17.99
5 years onwards	607.64	610.63

(c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at March 31, 2021.

The details of the plan assets and obligations position are as follows:

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Plan assets at year end, at fair value	100.16	81.85
Present value of defined obligation at year end	100.04	80.72
Liability recognised in the Balance Sheet	-	-

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Discount Rate	6.50%	6.00%
Expected Guaranteed Interest Rate	8.50%	8.50%
Expected Rate of Return on Assets	8.35%	8.50%

(d) Amount recognised as an expense in respect of leave encashment and compensated absence are ₹ 17.78 crore (₹ 18.45 crore for year ended March 31, 2020).

Notes Forming Part of Standalone Financial Statements

39. PROVISION FOR MINES RECLAMATION EXPENSES

₹ in Crore

Particulars	2020-2021	2019-2020
Opening Balance	**7.71**	**7.23**
Add: Provision made during the year (Refer Note 33)	0.61	0.62
Add: Unwinding of Discount of Provision (Refer Note 32)	0.58	0.54
Less: Utilized during the year	0.71	0.68
Closing Balance	**8.19**	**7.71**

40. SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information is given below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Revenue from Operations		
Within India	12,585.90	11,903.61
Outside India (Cement and Clinker Sales)	2.49	0.39
Total	**12,588.39**	**11,904.00**

All the non-current assets (Property, plant and equipment, capital work-in-progress, intangible assets, right of use assets and other non-current assets) of the Company are within India.

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) Subsidiaries:

Sr. No.	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power As at 31/03/2021	As at 31/03/2020
(i)	Shree Global FZE (Direct Subsidiary Company)	UAE	100%	100%
(ii)	Shree International Holding Ltd. (Indirect Subsidiary Company)	UAE	100%	100%
(iii)	Shree Enterprises Management Ltd. (Indirect Subsidiary Company)	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
(iv)	Union Cement Company PJSC (Indirect Subsidiary Company)	UAE	98.18%	97.71%
(v)	Union Cement Norcem Company Limited L.L.C. (Indirect Subsidiary Company)	UAE	60%	60%
(vi)	Raipur Handling and Infrastructure Private Limited (Direct Subsidiary Company)	India	100%	100%
(vii)	Shree Cement East Bengal Foundation	India	52%	-

Notes Forming Part of Standalone Financial Statements

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (contd.)

(b) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i) The Kamla Company Limited
(ii) Shree Capital Services Ltd.
(iii) Aqua Infra Project Limited
(iv) Alfa Buildhome Pvt. Ltd.
(v) Rajasthan Forum
(vi) The Bengal
(vii) Sant Parmanand Hospital
(viii) Karmyog Properties Private Limited
(ix) Mannakrishna Investment Private Limited

(c) Key Management Personnel:

(i) Shri H.M. Bangur — Managing Director
(ii) Shri Prashant Bangur — Joint Managing Director
(iii) Shri P.N. Chhangani — Whole Time Director

(d) Relatives to Key Management Personnel:

(i) Shri B.G. Bangur — Father of Shri H.M. Bangur

(e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund
(ii) Shree Cement Employees Group Gratuity Scheme
(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) Details of transactions with related parties:

₹ in Crore

Particulars	2020-2021	2019-2020
Equity contribution		
Subsidiaries	121.51	399.58
Sale of Goods/Material		
Subsidiaries	27.05	10.31
Entities controlled/ influenced by KMP	-	0.03
Sale of Land		
Entities controlled/ influenced by KMP	0.05	-
Purchase of Goods/Material		
Subsidiaries	0.17	-
Entities controlled/ influenced by KMP (₹ 7300 for the year ended March 31, 2021)	-	-
Services Received		
Subsidiaries	34.71	1.92
Entities controlled/ influenced by KMP	0.80	0.93
Services Given		
Subsidiaries	0.04	0.12
Payment of Office Rent		
Entities controlled/ influenced by KMP	2.69	2.77

Notes Forming Part of Standalone Financial Statements

41. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (contd.)

₹ in Crore

Particulars	2020-2021	2019-2020
Interest Income on Loan		
Subsidiaries	0.20	-
Contributions towards social activities		
Entities controlled/ influenced by KMP	3.45	1.84
Loan Given		
Subsidiaries	16.75	-

(b) Details of balances with related parties

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Security deposit receivable		
Entities controlled/ influenced by KMP	0.63	0.63
Loan receivable		
Subsidiaries	16.75	-
Interest receivable		
Subsidiaries	0.20	-

(c) Key Management Personnel:

₹ in Crore

Particulars	2020-2021	2019-2020
Short Term Benefits	71.90	62.76
Post - Employment Benefits*	4.48	4.14
Total	**76.38**	**66.90**

*As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Relatives to Key Management Personnel:

₹ in Crore

Particulars	2020-2021	2019-2020
Director Commission, Sitting Fee and Reimbursement of Expenses	0.03	0.37

(e) Information on transactions with post-employment benefit plans

₹ in Crore

Particulars	2020-2021	2019-2020
Contribution (including related insurance premium) paid/ payable	27.05	30.90

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Company has not recorded any loss allowances for receivables relating to related parties.

Notes Forming Part of Standalone Financial Statements

42. EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Profit Before Tax	3,025.72	1,960.21
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,057.31	684.98
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(2.11)	(2.08)
Items (Net) not Deductible for Tax/not Liable to Tax	(330.67)	(286.49)
Tax losses Unutilised / Items Taxed at Different Rate	(54.53)	(4.73)
Tax Expense Relating to Earlier Years (Net)	(10.27)	(5.33)
Others	54.06	3.68
Income Tax Expense Reported	**713.79**	**390.03**

43. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non- cash changes as per Ind AS 7- Statement of Cash flows are shown below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Opening Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	**3,113.15**	**2,778.19**
Changes from Financing cash flows due to proceeds from / repayment of borrowings	(899.45)	162.01
The effect of changes in foreign exchange rates	(102.21)	177.91
Amortisation of transaction cost on borrowings	2.21	2.06
Reclassification of opening lease liability to other financial liabilities on adoption of Ind AS 116 'Leases'	-	(7.02)
Closing Balance of Borrowings (Long term including current maturities and short term) excluding Bank Overdraft	**2,113.70**	**3,113.15**

44. CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended March 31, 2021 compare to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity (net of deferred tax assets) and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarises long term debt and equity of the Company:

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Equity Share Capital	36.08	36.08
Other Equity (net of Deferred tax Assets)	14,428.49	12,156.56
Total Equity	**14,464.57**	**12,192.64**
Long Term Debt (Including Current Maturities)	1,625.15	2,435.45
Debt to Equity Ratio	**0.11**	**0.20**

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

₹ in Crore

	As at 31/03/2021		As at 31/03/2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Fair Value Through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Exchange Traded Fund and Strips issued by the Govt. of India	4,612.96	4,612.96	4,058.88	4,058.88
Derivatives not Designated as Hedges				
Forward Contracts	-*	-*	0.50	0.50
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	60.18	60.18	230.37	230.37
Forward Contracts	0.85	0.85	11.28	11.28
Financial Assets Classified at Amortised Cost				
Investments in Bonds and Debentures	3,758.28	3,949.10	2,298.66	2,383.02
Loans	85.68	85.68	60.33	60.33
Trade Receivables	485.89	485.89	828.45	828.45
Cash and Cash Equivalents and Other Bank Balances	209.76	209.76	108.16	108.16
Other Financial Assets	157.67	159.54	118.20	120.25
Total Financial Assets	**9,371.27**	**9,563.96**	**7,714.83**	**7,801.24**
Financial Liabilities Classified at Fair Value Through Profit or Loss				
Derivatives not Designated as Hedges				
Forward Contracts	1.84	1.84	0.01	0.01
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	87.62	87.62	161.83	161.83
Forward Contracts	1.19	1.19	-	-
Financial Liabilities Classified at Amortised Cost				
Non-Current Borrowings at Floating Rate	902.77	902.77	1,170.66	1,170.66
Non-Current Borrowings at Fixed Rate	428.78	438.28	468.04	466.47
Current Maturities of Long Term Debt	293.60	293.60	796.75	796.75
Current Maturities of Lease Liabilities	8.07	8.07	10.37	10.37
Short Term Borrowings	508.08	508.08	708.74	708.74
Trade Payables	785.79	785.79	528.02	528.02
Other Financial Liabilities	1,291.89	1,291.89	1,264.48	1,264.48
Total Financial Liabilities	**4,309.63**	**4,319.13**	**5,108.90**	**5,107.33**

***₹ 6,778**

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Fair Value Techniques:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non- performance for the Company is considered to be insignificant in valuation.

c) The fair value of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivatives counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Fair Value Hierarchy

Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments and exchange traded fund/ strips issued by the Government of India.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and financial liabilities grouped into Level 1 to Level 3 as described below:

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Assets and Liabilities Measured at Fair Value (Accounted)

₹ in Crore

Particulars	As at 31/03/2021 Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	3,774.19	-	-	3,774.19
Preference Shares	-	93.83	-	93.83
Exchange Traded Fund	647.71	-	-	647.71
Strips Issued by Govt. of India	97.23	-	-	97.23
Derivatives not Designated as Hedges	-	-*	-	-*
Derivatives Designated as Hedges	-	61.03	-	61.03
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	1.84	-	1.84
Derivatives Designated as Hedges	-	88.81	-	88.81

***₹ 6,778**

₹ in Crore

Particulars	As at 31/03/2020 Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	3,382.10	-	-	3,382.10
Preference Shares	-	150.79	-	150.79
Exchange Traded Fund	127.94	-	-	127.94
Perpetual Bonds	-	398.05	-	398.05
Derivatives not Designated as Hedges	-	0.50	-	0.50
Derivatives Designated as Hedges	-	241.65	-	241.65
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	0.01	-	0.01
Derivatives Designated as Hedges	-	161.83	-	161.83

Fair Value of Assets and Liabilities Classified at Amortised Cost (only disclosed)

₹ in Crore

Particulars	As at 31/03/2021 Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	3,949.10	-	3,949.10
Loans	-	85.68	-	85.68
Other Financial Assets	-	159.54	-	159.54
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	438.28	-	438.28
Other Financial Liabilities	-	1,291.89	-	1,291.89

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

₹ in Crore

Particulars	As at 31/03/2020 Level 1	Level 2	Level 3	Total
FinancialAssets				
Investments in Bonds and Debentures	-	2,383.02	-	2,383.02
Loans	-	60.33	-	60.33
Other Financial Assets	-	120.25	-	120.25
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	466.47	-	466.47
Other Financial Liabilities	-	1,264.48	-	1,264.48

During the year ended March 31, 2021 and March 31, 2020, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at March 31, 2021 and March 31, 2020, respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments – both designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-
Financial Liabilities				
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments - both designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Notes Forming Part of Standalone Financial Statements

45. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Fair Value of Assets and Liabilities classified at Amortised Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit and Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Market risk and sensitivity

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at March 31, 2021 and March 31, 2020.

The sensitivity analysis exclude the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities expose it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates.

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its floating interest rate foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to floating interest rate as on March 31, 2021 and March 31, 2020.

Foreign currency risk and sensitivity

The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore exposed to foreign currency exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

The following tables demonstrate the sensitivity in the USD, JPY, EURO and GBP to the Indian Rupee with all other variable held constant.

For the Year ended March 31, 2021

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	(0.81)	0.24	2.18	0.04
-5%	0.81	(0.24)	(2.18)	(0.04)

For the Year ended March 31, 2020

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	0.08	0.00*	0.27	0.01
-5%	(0.08)	(0.00)*	(0.27)	(0.01)

*** ₹ 4,105**

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers which mitigate the credit risk to an extent.

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

The ageing of trade receivables is as below:

₹ in Crore

Particulars	Neither Due nor Impaired	Past Due Up to 6 months	Past Due 6 to 12 months	Past Due Above 12 months	Total
Trade Receivables					
As at March 31, 2021					
Secured	302.78	65.20	0.73	1.68	370.39
Unsecured	92.62	15.82	0.62	8.79	117.85
Gross Total	**395.40**	**81.02**	**1.35**	**10.47**	**488.24**
Allowance for doubtful trade receivables	-	0.30	0.23	1.82	2.35
Net Total	**395.40**	**80.72**	**1.12**	**8.65**	**485.89**
As at March 31, 2020					
Secured	275.65	102.07	2.99	1.18	381.89
Unsecured	147.36	227.78	65.33	7.96	448.43
Gross Total	**423.01**	**329.85**	**68.32**	**9.14**	**830.32**
Allowance for doubtful trade receivables	-	0.42	0.02	1.43	1.87
Net Total	**423.01**	**329.43**	**68.30**	**7.71**	**828.45**

Movement in Allowance for Doubtful Trade Receivables are given below:

₹ in Crore

Particulars	2020-2021	2019-2020
Opening Balance	**1.87**	**1.47**
Add: Provision made during the year (Refer note 33)	0.48	0.40
Less: Utilised during the year	-	-
Closing Balance	**2.35**	**1.87**

Financial Instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹ 9,371.27 crore as at March 31, 2021 and ₹ 7,714.83 crore as at March 31, 2020, which is the carrying amounts of cash and cash equivalents, other bank balances, investments (other than equity investments in subsidiary), trade receivables, loans and other financial assets.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

Notes Forming Part of Standalone Financial Statements

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

As at March 31, 2021

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	802.61	1,335.34	-	2,137.95
Lease Liability	9.53	15.08	4.63	29.24
Trade Payables	785.79	-	-	785.79
Derivative Financial Instruments	18.68	71.97	-	90.65
Other Financial Liabilities	432.64	844.57	-	1,277.21
Total	**2,049.25**	**2,266.96**	**4.63**	**4,320.84**

As at March 31, 2020

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	1,506.23	1,644.90	-	3,151.13
Lease Liability	11.99	22.88	4.89	39.76
Trade Payables	528.02	-	-	528.02
Derivative Financial Instruments	16.91	144.93	-	161.84
Other Financial Liabilities	464.50	779.02	-	1,243.52
Total	**2,527.65**	**2,591.73**	**4.89**	**5,124.27**

47. DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instruments outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31/03/2021	As at 31/03/2020
Forward Contracts	Imports	USD	4.75	5.83
		JPY	7.05	1.38
		EURO	0.49	0.07
		GBP	0.01	-*
Cross Currency & Interest Rate Swaps	ECB	USD	-	8.00
	ECB	SGD	8.83	9.81
Interest Rate Swaps	ECB	USD	15.61	17.50
Cross currency swaps	ECB	USD	22.36	25.00

*GBP 23,130

Cash Flow Hedges

The objective of cross currency & interest rate swaps and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts based on qualitative approach.

Notes Forming Part of Standalone Financial Statements

47. DERIVATIVE FINANCIAL INSTRUMENTS (contd.)

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 21 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above derivatives are as under:

₹ in Crore

Particulars	As at 31/03/2021		As at 31/03/2020	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swap	60.18	87.62	230.37	161.83
Forward Contracts	0.85	1.19	11.28	-

The movement of Effective Portion of Cash Flow Hedges are shown below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Opening Balance	**(29.65)**	**(36.47)**
Gain/(loss) recognised on cash flow hedges	(239.12)	67.38
Income tax relating to gain/(loss) recognised on cash flow hedges	80.35	(23.55)
Reclassified to Statement of Profit and Loss #	219.48	(53.87)
Income tax relating to Reclassified to Statement of Profit and Loss	(74.32)	18.83
Amount transferred to initial cost of non-financial asset	12.00	(3.02)
Income tax relating to amount transferred to initial cost of non-financial asset	(4.07)	1.05
Closing Balance	**(35.33)**	**(29.65)**

Includes ₹ 101.78 crore (Previous year ₹ (178.39) crore) to Foreign Exchange Rate Differences and ₹ 117.70 crore (Previous Year ₹ 124.52 crore) to Finance Cost.

Foreign Currency Forward Contracts

The Company also enters into other forward contracts with intention to reduce the foreign exchange risk of expected purchases.

Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

Notes Forming Part of Standalone Financial Statements

47. DERIVATIVE FINANCIAL INSTRUMENTS (contd.)

The fair value of foreign currency forward contracts is as under:

₹ in Crore

Particulars	As at 31/03/2021		As at 31/03/2020	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	-*	1.84	0.50	0.01

*₹ 6,778

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognised in the statement of profit and loss is ₹ (0.51) crore for the year ended March 31, 2021 (₹ 1.38 crore for the year ended March 31, 2020)

48. COLLATERALS

Inventory, Trade Receivables, Other Current Assets, Property, Plant and Equipment are hypothecated / mortgaged as collateral/security against the borrowings (Refer Note 21 and 24). Additionally, some of the fixed deposits and investments are pledged against working capital facilities.

49. EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2020-2021	2019-2020
Profit or Loss attributable to ordinary Equity shareholders	₹ in Crore	2,311.93	1,570.18
Equity Share Capital	₹ in Crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹ 10/- per share)	Nos.	3,60,80,748	3,52,78,913
Earnings Per Share – Basic and Diluted	₹	640.77	445.08

B. Cash EPS : (Profit for the year+ Depreciation and Amortisation Expense +Deferred Tax)/ Weighted average number of equity shares outstanding

50. Disclosure of Loans & Advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

₹ in Crore

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Shree Cement East Bengal Foundation (for meeting its working capital requirements*)	16.75	-	16.75	-	-	-

* Unsecured Loan repayable on demand at interest rate of 9% per annum.

51. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend Proposed to be distributed

₹ in Crore

Particulars	As at 31/03/2021 (Note 51.1)	As at 31/03/2020
Dividend Proposed for Equity Shareholders	216.48	-

51.1 ₹ 60 per share for FY 2020-21.

Notes Forming Part of Standalone Financial Statements

52. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in Crore

Sr. No	Particulars	As at 31/03/2021	As at 31/03/2020
(a) (i)	The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	4.06	2.18
(ii)	The interest due on above	-	-
	The total of (i) & (ii)	4.06	2.18
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

53. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2021. Looking to the present situation of pandemic, the extent to which the same will impact Company's future financial results is currently uncertain and will depend on further developments. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

54. Previous year figures have been regrouped and rearranged wherever necessary.

55. Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 55

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Independent Auditors' Report

TO THE MEMBERS OF SHREE CEMENT LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Shree Cement Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods	
The Group recognises revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included the following: • Considered the appropriateness of Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognised as per the sales agreements; • Assessed the relevant disclosures made in the consolidated financial statements.

Description of Key Audit Matters: (contd.)

Litigation, Claims and Contingent Liabilities	
The Group is exposed to a variety of different laws, regulations and interpretations thereof which encompasses taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgment when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change substantially over time as new facts emerge as each legal case or matters progresses. Given the different views possible, basis the interpretations, complexity and the magnitude of the potential exposures, and the judgment necessary to determine required disclosures, this is a key audit matter.	Our audit procedures included the following: • We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the recording and re-assessment of uncertain legal positions, claims and contingent liabilities; • We held discussions with the person responsible for legal and compliance to obtain an understanding of the factors considered in classification of the matter as 'probable', 'possible' and 'remote'; • We read the correspondence from Court authorities and considered legal opinion obtained by the Company from external law firms to challenge the basis used for provisions recognised or the disclosures made in the consolidated financial statements; • For those matters where Group concluded that no provision should be recorded, we also considered the adequacy and completeness of the Group's disclosures made in relation to contingent liabilities.

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

a) We did not audit the financial statements of six subsidiaries, whose financial reflect total assets of ₹ 3,109.82 crore as at March 31, 2021, total revenues of ₹ 895.80 crore and net cash flows amounting to ₹ 364.96 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit / (loss) of ₹ (22.16) crore for the year ended March 31, 2021, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, to the extent applicable, we report that:

   (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'A'**.

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The consolidated financial statement discloses the impact of pending litigations on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements;

      ii. The Group did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Mukesh Dua
Partner
Membership No.085323
UDIN: 21085323AAAABR9229

Place: New Delhi
Date: May 21, 2021

Annexure ‘A’ to the Independent Auditors’ Report

(Referred to in Paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Shree Cement Limited hereinafter referred to as (“the Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

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

Mukesh Dua
Partner
Membership No.085323
UDIN: 21085323AAAABR9229

Place: New Delhi
Date: May 21, 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ in Crore)

	Notes	As at 31/03/2021	As at 31/03/2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	5,714.50	5,697.35
Capital Work-in-Progress	38	996.54	1,196.72
Intangible Assets	8	60.25	53.21
Right of Use Assets	9	441.50	412.46
Financial Assets			
Investments	10	4,699.03	3,271.28
Loans	11	62.14	53.96
Other Financial Assets	12	72.39	160.39
Deferred Tax Assets (Net)	13	786.08	743.78
Non-Current Tax Assets (Net)		102.03	111.03
Other Non-Current Assets	14	391.38	350.15
		13,325.84	12,050.33
Current Assets			
Inventories	15	1,715.72	1,713.49
Financial Assets			
Investments	16	3,801.47	3,086.32
Trade Receivables	17	685.90	1,080.45
Cash and Cash Equivalents	18	472.14	114.21
Bank Balances other than Cash and Cash Equivalents	19	236.21	500.00
Loans	11	25.23	7.87
Other Financial Assets	12	159.88	211.00
Other Current Assets	14	1,090.78	1,180.48
		8,187.33	7,893.82
Total Assets		**21,513.17**	**19,944.15**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	20	36.08	36.08
Other Equity	21	15,361.33	13,133.35
Total Equity Attributable to Owners of the Company		15,397.41	13,169.43
Non Controlling Interest		51.16	68.81
Total Equity		15,448.57	13,238.24
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	22	1,331.55	1,638.70
Other Financial Liabilities	23	1,000.49	1,016.34
Deferred Tax Liabilities (Net)	24	-	0.17
Provisions	25	31.75	35.14
		2,363.79	2,690.35
Current Liabilities			
Financial Liabilities			
Borrowings	26	508.70	710.22
Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises	56	4.08	2.18
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		878.89	655.47
Other Financial Liabilities	23	817.74	1,354.68
Other Current Liabilities	27	1,415.01	1,222.17
Provisions	25	8.30	7.43
Current Tax Liabilities (Net)		68.09	63.41
		3,700.81	4,015.56
Total Equity and Liabilities		**21,513.17**	**19,944.15**
Significant Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Date : May 21, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Crore)

	Notes	For the year ended 31/03/2021	For the year ended 31/03/2020
INCOME			
Revenue from Operations	28	13,476.33	12,868.39
Other Income	29	466.33	274.40
Total Income		**13,942.66**	**13,142.79**
EXPENSES			
Cost of Materials Consumed	30	976.37	922.39
Purchases of Stock in Trade		43.66	30.93
Changes in Inventories of Finished Goods and Work-in-Progress	31	49.60	37.17
Employee Benefits Expenses	32	869.22	853.99
Power and Fuel		2,348.80	2,702.65
Freight and Forwarding Expenses	33	3,110.19	2,662.07
Finance Costs	34	251.29	291.43
Depreciation and Amortisation Expenses	7, 8 & 9	1,262.34	1,807.81
Other Expenses	35	2,042.38	1,926.16
		10,953.85	11,234.60
Captive Consumption of Cement		(15.27)	(26.07)
Total Expenses		**10,938.58**	**11,208.53**
PROFIT BEFORE TAX		**3,004.08**	**1,934.26**
Tax Expense	45		
Current Tax		765.27	530.41
Tax Expense Relating to Earlier Years (Net)		(10.27)	(5.33)
Deferred Tax (Credit) / Charge		(40.51)	(134.88)
		714.49	390.20
PROFIT FOR THE YEAR		**2,289.59**	**1,544.06**
Profit Attributable to:			
Owners of the Company		2,285.87	1,535.85
Non Controlling Interest		3.72	8.21
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified to Profit or Loss- Re-measurements of the Defined Benefit Plans	40(b)	13.01	6.89
Income Tax relating to Items that will not be Reclassified to Profit or Loss		(3.74)	(2.23)
Items that will be Reclassified to Profit or Loss - Cash Flow Hedge and Exchange Differences on Translation of Foreign Operation	50	(87.02)	212.53
Income Tax relating to Items that will be Reclassified to Profit or Loss		6.03	(4.72)
		(71.72)	212.47
TOTAL COMPREHENSIVE INCOME FOR THE YEAR **(Comprising Profit and Other Comprehensive Income for the Year)**		**2,217.87**	**1,756.53**
Other Comprehensive Income Attributable to:			
Owners of the Company		(70.30)	206.80
Non Controlling Interest		(1.42)	5.67
		(71.72)	212.47
Total Comprehensive Income Attributable to:			
Owners of the Company		2,215.57	1,742.65
Non Controlling Interest		2.30	13.88
		2,217.87	**1,756.53**
Earnings per Equity Share of ₹ 10 each (In ₹)	52		
Cash		971.52	908.87
Basic and Diluted		633.54	435.35
Significant Accounting Policies	5		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Date : May 21, 2021

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Crore)

Particulars	For the year ended 31/03/2021		For the year ended 31/03/2020	
A Cash Flow From Operating Activities				
Profit Before Tax		**3,004.08**		**1,934.26**
Adjustments For :				
Depreciation and Amortisation Expenses	1,262.34		1,807.81	
Foreign Exchange Rate Differences (Net)	2.33		(1.38)	
Balances Written Back	(8.63)		(0.93)	
Provision No Longer Required	(19.44)		-	
Allowance for Doubtful Trade Receivables (Net)	20.65		4.35	
Net (Gain)/ Loss on Sale of Investments	(35.13)		3.43	
(Gain)/ Loss on Fair Value of Financial Assets through Profit or Loss	(156.60)		(54.14)	
Interest Income	(229.94)		(176.01)	
Dividend Income on Financial Assets Classified at Fair Value through Profit or Loss	(9.16)		(40.75)	
Profit on Sale of Property, Plant and Equipment (Net) / Assets Written Off	(3.72)		(1.40)	
Finance Costs	251.29	1,073.99	291.43	1,832.41
Operating Profit Before Working Capital Changes		**4,078.07**		**3,766.67**
Adjustments For :				
(Increase) / Decrease in Trade and Other Receivables	416.99		56.50	
(Increase) / Decrease in Inventories	(8.97)		180.85	
Increase / (Decrease) in Trade & Other Payables and Provisions	512.76	920.78	455.34	692.69
Cash Generated From Operations		**4,998.85**		**4,459.36**
Direct Taxes Paid (Net of Refunds)		(745.06)		(486.18)
Net Cash Flow From Operating Activities		**4,253.79**		**3,973.18**
B Cash Flow From Investing Activities				
Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Capital Advances)	(1,121.38)		(1,531.38)	
Proceeds from Sale of Property, Plant and Equipment	5.46		4.43	
Payments for Intangible Assets	(13.20)		(13.39)	
Purchases of Investments in Bonds, Debentures and Preference Shares and Strips issued by Govt. of India	(2,110.41)		(1,009.96)	
Proceeds from Sale/ Redemption of Bonds, Debentures and Preference Shares	890.40		157.39	
(Purchases) / Proceeds of Investments in Mutual Funds / Exchange Traded Funds (Net)	(753.82)		(3,179.58)	
Investments in a Subsidiary Company (Refer Note 10.4)	(0.03)		-	
Loan to Subsidiary Company (Refer Note 10.4)	(16.75)		-	
Investments in Bank Deposits	(270.45)		(625.17)	
Maturity of Bank Deposits	524.66		407.93	
Change in Earmarked Balances with Banks (Unpaid Dividend)	2.19		(2.40)	
Dividend Received	9.16		44.22	
Interest Received	209.13		149.20	
Net Cash Used in Investing Activities		**(2,645.04)**		**(5,598.71)**

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Crore)

Particulars	For the year ended 31/03/2021		For the year ended 31/03/2020	
C Cash Flow From Financing Activities				
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest	(6.53)		(2.12)	
Proceeds from Issue of Shares (Net of Share Issue Expenses)	-		2,383.34	
Repayment of Long Term Borrowings	(710.30)		(67.50)	
Repayment of Lease Liabilities	(61.55)		(44.51)	
Repayment of Short Term Borrowings	-		(75.00)	
Proceeds / (Repayment) of Short Term Borrowings (Net) (upto Three months maturity)	(189.15)		304.51	
Interest and Financial Charges Paid	(253.98)		(289.25)	
Dividend and Tax Paid there on (Interim and Final)	(11.13)		(628.41)	
Net Cash (Used in) / From Financing Activities		**(1,232.64)**		**1,581.06**
Net Increase / (Decrease) in Cash and Cash Equivalents		**376.11**		**(44.47)**
Cash and Cash Equivalents as at the beginning of the Year		**81.69**		**117.72**
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries		(5.81)		8.44
Cash and Cash Equivalents as at the end of the Year		**451.99**		**81.69**

Notes :

1 Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

2 The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.

3 For the purpose of Consolidated Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Crore)

	As at 31/03/2021	As at 31/03/2020
Balances with Banks	432.55	15.89
Cash on Hand	1.02	1.51
Call Deposits with Banks	0.61	1.42
Fixed Deposits with Banks Having Original Maturity upto 3 Months	37.96	95.39
	472.14	**114.21**
Less: Bank Overdraft	20.15	32.52
	451.99	**81.69**

4 Refer Note 46 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

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DIN: 00066068
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Independent Director
DIN: 02895410
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Company Secretary
Place: Beawar

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Joint Managing Director
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Independent Director
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Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL (Refer Note 20)

Particulars	Numbers	₹ in Crore
Equity shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at March 31, 2019	**3,48,37,225**	**34.84**
Changes in equity share capital during the year	12,43,523	1.24
As at March 31, 2020	**3,60,80,748**	**36.08**
Changes in equity share capital during the year	-	-
As at March 31, 2021	**3,60,80,748**	**36.08**

B. OTHER EQUITY (Refer Note 21)

For the year ended March 31, 2021

(₹ in Crore)

Particulars	Attributable to Owners of the Company										
	Reserves and Surplus						Items of OCI				
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges	Total Other Equity Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
Opening Balance as at 01/04/2020	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,000.00**	**4,523.09**	**200.24**	**(29.65)**	**13,133.35**	**68.81**	**13,202.16**
Profit for the Year						2,285.87			2,285.87	3.72	2,289.59
Other Comprehensive Income for the Year											
Re-measurements of the Defined Benefit Plans (Net of Tax)						9.24			9.24	0.03	9.27
Net movement of Cash Flow Hedges (Net of Tax) (Refer note 50)								(13.61)	(13.61)		(13.61)
Exchange Differences on Translation of Foreign Operation							(65.93)		(65.93)	(1.45)	(67.38)
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 50)								7.93	7.93		7.93
Transfer to /(from) Retained Earnings				-	500.00	(500.00)			-		-
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						4.48			4.48	(11.01)	(6.53)
Interim Dividend on Equity Shares (Note 1 below)						-			-	(8.94)	(8.94)
Closing Balance as at March 31, 2021	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,500.00**	**6,322.68**	**134.31**	**(35.33)**	**15,361.33**	**51.16**	**15,412.49**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

For the Year ended March 31, 2020

(₹ in Crore)

Particulars	Attributable to Owners of the Company										
	Reserves and Surplus						Items of OCI				
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Effective Portion of Cash Flow Hedges	Total Other Equity Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
Opening Balance as at 01/04/2019	**15.00**	**10.84**	**26.53**	**5.20**	**5,700.00**	**3,907.93**	**6.88**	**(36.47)**	**9,635.91**	**62.48**	**9,698.39**
Profit for the year						1,535.85			1,535.85	8.21	1,544.06
Other Comprehensive Income for the year											
Re-measurements of the Defined Benefit Plans (Net of Tax)						4.65			4.65	0.01	4.66
Net movement of Cash Flow Hedges (Net of Tax) (Refer Note 50)								8.79	8.79		8.79
Exchange Differences on Translation of Foreign Operation							193.36		193.36	5.66	199.02
Transfer to Initial Carrying Amount of Hedged Items (Net of Tax) (Refer Note 50)								(1.97)	(1.97)		(1.97)
Transfer to /(from) Retained Earnings				-	300.00	(300.00)			-		-
Acquisition of Additional Stake in Subsidiary Company from Non Controlling Interest						0.12			0.12	(2.24)	(2.12)
Issue of shares (Net of expenses) (Refer Note 20.5)			2,382.10						2,382.10		2,382.10
Final Dividend on Equity Shares (Note 2 below)						(121.93)			(121.93)		(121.93)
Tax on Final Dividend						(25.06)			(25.06)		(25.06)
Interim Dividend on Equity Shares (Note 1 and 3 below)						(396.89)			(396.89)	(5.31)	(402.20)
Tax on Interim Dividend						(81.58)			(81.58)		(81.58)
Closing Balance as at March 31, 2020	**15.00**	**10.84**	**2,408.63**	**5.20**	**6,000.00**	**4,523.09**	**200.24**	**(29.65)**	**13,133.35**	**68.81**	**13,202.16**

Note 1 : Dividend distributed to the non-controlling interest pertains to the dividend declared by a Subsidiary.

Note 2 : Final Dividend declared at the rate of ₹ 35 per share of ₹ 10 each for FY 2018-19.

Note 3 : Interim Dividend declared at the rate of ₹ 110 per share (including additional dividend of ₹ 40 per share) of ₹ 10 each for FY 2019-20.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

Nature of Reserves

Capital Redemption Reserve

Capital Redemption Reserve represents the reserve created as a result of redemption of preference shares capital of the Company. The same may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid-up bonus shares.

Capital Reserve

Company's Capital Reserve is on account of acquisition of controlling stake in Union Cement Company (PJSC) (UCC) and Raipur Handling and Infrastructure Private Limited (RHIPL).

Securities Premium

Securities Premium represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia, may be utilized by the Company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

Statutory Reserve

According to the articles of association of Union Cement Company (PJSC) (Subsidiary Company) and the requirements of the U.A.E. Federal Law No. (2) of 2015, 10% of the profit for each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Foreign Currency Translation Reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in the foreign currency translation reserve.

Effective Portion of Cash Flow Hedges

The Company has designated certain hedging instruments as cash flow hedges and any effective portion is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Notes Forming Part of Consolidated Financial Statements

1. CORPORATE INFORMATION

Shree Cement Limited ("the Holding Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at Bangur Nagar, Beawar, District- Ajmer-305901 (Rajasthan) India.

The Consolidated Financial Statements comprise financial statements of Shree Cement Limited ("the Holding Company") and its subsidiaries together referred to as "the Company" or "the Group".

The Company is engaged in the manufacturing and selling of cement and cement related products. It is recognised as one of the most efficient and environment friendly Company in the global cement industry.

For Company's principal shareholders, Refer Note No. 20.1.

These Consolidated Financial Statements are approved and adopted by the Board of Directors of the Company in their meeting held on May 21, 2021.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements (hereinafter referred to as "financial statements" in the consolidated financial statements) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

3. PRINCIPLES OF CONSOLIDATION:

The subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	% Shareholding and Voting Power As at 31/03/2021	As at 31/03/2020
1	Shree Global FZE	UAE	100%	100%
2	Shree International Holding Ltd.	UAE	100%	100%
3	Shree Enterprises Management Ltd.	UAE	100% (Beneficially Owned)	100% (Beneficially Owned)
4	Union Cement Company (PJSC)	UAE	98.18%	97.71%
5	Union Cement Norcem Company Limited L.L.C.	UAE	60%	60%
6	Raipur Handling and Infrastructure Private Limited	India	100%	100%

The Consolidated Financial Statements of the Group are prepared on following basis:

a) The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014.

b) The Financial Statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the books values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions and any unrealised profits or losses arising from intra group transaction, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

c) Non-Controlling Interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes Forming Part of Consolidated Financial Statements

d) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

e) The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. March 31, 2021.

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the period. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI) except to the extent those exchange differences are allocated to non- controlling interest. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognised to the profit or loss.

4. NEW ACCOUNTING PRONOUNCEMENTS

(i) Adoption of New Accounting Pronouncements

(a) Amendment to Ind AS 103 'Business Combinations' – change in definition of Business
The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. The amendments also introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. This amendments does not have material impact on the Company.

(b) Amendment to Ind AS 107 and Ind AS 109 - interest rate benchmark reforms
The amendments provide temporary exception from applying specific hedge accounting requirement and allows continuation of hedge accounting when a hedging relationship is directly affected by interest rate benchmark reform only. The amendment also provides for additional disclosure for hedging relationship that is subject to this exception. This amendment does not have material impact on the Company.

(c) Amendment to Ind AS 116 'Leases' - COVID-19 related rent concessions
The amendment provides a practical expedient which permits lessee not to account for COVID-19 related rent concession as a lease modification. This amendment does not have material impact on the Company.

(d) Amendment to Ind AS 1 and Ind AS 8 – definition of 'Material'
The amendment is not intend to change the underlying 'materiality' concept rather it provides broader guidance and make it easy to understand the meaning of 'material'. This amendment does not have material impact on the Company.

(e) Amendment to Ind AS 10 and Ind AS 37 – material non adjusting event
The amendment requires an entity to disclose the nature and estimate of financial effect of a material non-adjusting event after the reporting period. Ind AS 37 specifically requires such disclosure of a non-adjusting material restructuring plan. This amendment does not have material impact on the Company.

(ii) Application of new amendments issued but not yet effective

(a) Amendment in Schedule III of the Companies Act, 2013
On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes Forming Part of Consolidated Financial Statements

5. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation and Measurement

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

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments – note 5 (r)]
- Employee's defined benefit plan as per actuarial valuation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crore, except otherwise indicated.

b) Classification of Assets and Liabilities into Current / Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

1. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is expected to realise the asset within twelve months after the reporting period; or
4. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

1. It is expected to be settled in the normal operating cycle; or
2. It is held primarily for the purpose of trading; or
3. It is due to be settled within twelve months after the reporting period; or
4. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation/amortisation and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use including relevant borrowing costs.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All subsequent costs are charged to Statement of Profit and Loss unless it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress is carried at cost and directly attributable expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying assets) which is allocated to the property, plant and equipment on the completion of project. Advances given towards

Notes Forming Part of Consolidated Financial Statements

acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under "other non-current assets".

Depreciation is provided on written down value method except in case of subsidiary companies on Straight Line Method over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	3-30 Years
Building (including Roads)	10-35 Years
Railway Siding	15-20 Years
Vehicles	5-6 Years
Office Equipment	3-6 Years
Furniture & Fixtures	5-10 Years

Freehold land containing mineral reserve is amortised over its estimated commercial life based on the units-of-production method.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of when it is ready for intended use. Depreciation on deduction/disposals is provided on a pro-rata basis upto the date of deduction/disposal.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is disposed and / or derecognised.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets
Intangible assets are stated at cost less accumulated amortisation and impairment, if any. Cost comprises of purchase price and directly attributable cost (net of credit availed, if any) of acquisition/bringing the asset to its working condition for its intended use.

Amortisation is provided on a written down value method except in case of subsidiary companies on Straight Line Method over estimated useful lives. Mining rights is amortised based on units-of-production method. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Computer Software	3-10 Years
Private Freight Terminal License	Over the period of license right

Expenditure on research phase is recognised as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in related assets.

The residual values, useful lives and method of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Borrowing Costs
Borrowing costs directly attributable to the acquisition / construction of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Impairment of Non-Financial Assets
The carrying amount of assets is reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market

Notes Forming Part of Consolidated Financial Statements

assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of Cash Generating Unit (CGU) to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows of other assets or group of assets.

A previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

g) Revenue Recognition
Revenue is recognised to depict the transfer of promised products or services to customers. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amount collected on behalf of third party.

Revenue from sale of products is recognised when products are delivered to the customers. Delivery occurs when the product has been shipped to the customers, the risks of obsolescence and loss have been transferred to customers and either the customer has accepted the products in accordance with sales arrangement. Revenue is disclosed net of Goods and Service Tax (GST), discounts, volume rebates and returns, as applicable.

h) Dividend income is recognised when the right to receive the payment is established. Interest is recognised using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognised as profit or loss on sale/ redemption of investment on date of transaction.

i) Insurance, railway and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognised only when collection is virtually certain which generally coincides with receipt and are netted off from related expenses.

j) Government Grants
Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Grants related to income are recognised in the Statement of Profit and Loss on a systematic basis over the period to match them with the related costs.

Grants related to an asset are included in non-current liabilities as deferred income and are credited to income on a systematic basis over the useful life of the related assets.

The benefit of government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is recognised in the Statement of Profit and Loss.

k) Employee Benefits

1) Defined Contribution Plan
Superannuation, Provident Fund, National Pension Scheme, Employees State Insurance Corporation (ESIC) and Retirement Pension and Social Security Scheme are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year in which employees have rendered related services.

Contributions as specified by law are paid to the provident fund set up as irrevocable trust in respect of few employees. The Company is generally liable for annual contribution and any shortfall in the fund assets based on

Notes Forming Part of Consolidated Financial Statements

the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

2) Defined Benefit Plan
Gratuity and End of Service Benefit is considered as defined benefit plan and is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee Benefits Expenses'.

Re- measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re- measurements are not reclassified to profit or loss in subsequent periods.

3) Other Long Term Benefits
Encashable leave and non encashable leave are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Actuarial gains/losses, if any, are recognised in the Statement of Profit and Loss in the year in which they arise.

4) Other Short term Benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

l) Foreign Currency Transaction
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in Indian Rupees, which is also Holding Company's functional currency.

Foreign currency transactions are initially recorded in the functional currency of the entity in the Group, using the exchange rate at the date of transaction.

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rates. Non-Monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise, except the amount of such differences capitalised in accordance with policy on 'Borrowing costs'.

m) Taxation
Income tax expense represents the sum of current and deferred tax (including Minimum Alternate Tax). Tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such case the tax is also recognised directly in equity or in other

Notes Forming Part of Consolidated Financial Statements

comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are recognised for all taxable temporary difference and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes relate to same taxable entity and the same taxation authority.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Tax credit is recognised in respect of Minimum Alternate Tax ("MAT") paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

n) Inventories

1) Raw Materials, Stores & Spare Parts, Packing Materials and Fuel
These are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

2) Work-in-progress and Finished Goods
These are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

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

o) Provisions and Contingencies

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

Notes Forming Part of Consolidated Financial Statements

If the effect of time value of money is material, provisions are discounted using equivalent period pre-tax government securities interest rate. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Mines Reclamation Expenditure
The Company provides for the expenditure to reclaim the quarries used for mining, in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of vacation of mines. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. The unwinding of the discount on provision is shown as a finance cost in the Statement of Profit and Loss.

2) Contingencies
Contingent liabilities are disclosed when there is a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are not recognised.

p) Leases
At the commencement of a lease, the Company recognises a right of use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discount the lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, less lease payments made.

The right-of-use asset measured at inception at the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right of use assets is subsequently measured at cost less accumulated amortisation, accumulated impairment losses, if any. Right-of-use assets are amortised on straight line basis over the shorter period of lease term and useful life of the underlying asset.

The right of use assets is presented separately on face of the Balance sheet as 'Right of Use Assets' and lease liability is presented within 'other financial liabilities' classified as current and non-current.

q) Business Combination
The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and assumed and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

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Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, intangible assets with definite useful life acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill and Intangible assets with indefinite useful life, if any, are tested for impairment at the end of each annual reporting period.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as gain on bargain purchase. In case of a bargain purchase, before recognising a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in Statement of Profit and Loss.

r) Financial Instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

1) Financial Assets

Initial Recognition and Measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans, other financial assets and investments.

Classification and Subsequent Measurement
Financial assets are subsequently measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset's contractual cash flow characteristics.

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

b) Financial Assets at Fair Value Through Other Comprehensive Income
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of

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principal and interest on the principal amount outstanding.

c) *Financial Assets at Fair Value Through Profit or Loss*
A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss. Dividend and interest income on financial assets at fair value through profit or loss is recognised as dividend and interest income respectively and included in 'other income'.

Derecognition
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2) Financial Liabilities

Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Classification and Subsequent Measurement
The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

a) *Financial liabilities at Fair Value Through Profit or Loss*
Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognised in the statement of profit and loss.

b) *Other Financial Liabilities*
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using effective interest rate method.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

3) Derivative Financial Instruments and Hedge Accounting
The Company uses derivative financial instruments, such as foreign currency forward contracts and cross currency & interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

The Company uses cross currency and interest rate swaps to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecast purchases. The Company designates these cross currency and interest rate swaps and foreign currency forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These derivatives are stated at fair value at each reporting date. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss when the hedged transaction affects the profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

4) Financial Liabilities and Equity Instruments:

Classification as Debt or Equity
Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument. The Company does not have any compound financial instrument.

Equity Instruments
An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs related to issue of equity instruments is reduced from equity.

s) Cash and Cash Equivalents
Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash at banks and on hand and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

t) Earnings Per Share
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the owners of the Company and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes Forming Part of Consolidated Financial Statements

6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statements:

a) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilised. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

b) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Allowances for Uncollected Trade Receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/ litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) Mines Reclamation Obligation

The measurement of mines reclamation obligation requires long term assumptions regarding the phasing of the restoration work to be carried out. Discount rates are determined based on the government bonds of similar tenure.

f) Defined Benefit Plan

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date. Refer Note 40 for sensitivity analysis.

g) Fair Value Measurement of Financial Instruments

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

Notes Forming Part of Consolidated Financial Statements

7. PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Particulars	GROSS BLOCK					DEPRECIATION / AMORTIZATION					Net Block
	Opening as at 01/04/2020	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31/03/2021	Opening as at 01/04/2020	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31/03/2021	As at 31/03/2021
Tangible Assets:											
Free Hold Land	1,227.04	-	224.97	0.02	1,451.99	8.72	2.81	-	-	11.53	1,440.46
Buildings	1,128.57	(1.71)	105.77	0.70	1,231.93	519.78	147.47	(0.12)	0.03	667.10	564.83
Plant and Equipment	9,302.93	(48.58)	961.37 **(a)**	15.85	10,199.87	5,495.80	1,067.16	(5.51)	15.00	6,542.45	3,657.42
Railway Siding	63.08	-	2.96	-	66.04	26.98	7.14	-	-	34.12	31.92
Furniture and Fixtures	44.51	(0.04)	2.28	0.18	46.57	40.05	3.46	(0.01)	0.17	43.33	3.24
Office Equipment	68.79	(0.12)	7.85	1.40	75.12	58.84	9.61	(0.04)	1.38	67.03	8.09
Vehicles	43.80	(0.09)	5.19	3.27	45.63	31.20	9.03	(0.07)	3.07	37.09	8.54
Total	**11,878.72**	**(50.54)**	**1,310.39**	**21.42**	**13,117.15**	**6,181.37**	**1,246.68 (b)**	**(5.75)**	**19.65**	**7,402.65**	**5,714.50**

₹ in Crore

Particulars	GROSS BLOCK						DEPRECIATION / AMORTIZATION						Net Block
	Opening as at 01/04/2019	Transfer to Right of Use Assets as at 01/04/2019	Effect of foreign currency translation	Additions during the year	Deductions/ adjustments during the year	As at 31/03/2020	Opening as at 01/04/2019	Transfer to Right of Use Assets as at 01/04/2019	For the year	Effect of foreign currency translation	Deductions/ adjustments during the year	Upto 31/03/2020	As at 31/03/2020
Tangible Assets:													
Free Hold Land	1,011.26	-	-	215.78	-	1,227.04	5.75	-	2.97	-	-	8.72	1,218.32
Lease Hold Land	314.63	314.63	-	-	-	-	21.91	21.91	-	-	-	-	-
Buildings	952.75	-	5.64	172.82	2.64	1,128.57	360.30	-	159.25	0.24	0.01	519.78	608.79
Plant and Equipment	8,088.05	-	150.02	1,082.47 **(a)**	17.61	9,302.93	3,920.91	-	1,579.74	12.53	17.38	5,495.80	3,807.13
Railway Siding	63.02	-	-	0.13	0.07	63.08	18.54	-	8.48	-	0.04	26.98	36.10
Furniture and Fixtures	38.57	-	0.11	6.15	0.32	44.51	30.31	-	10.04	0.02	0.32	40.05	4.46
Office Equipment	53.62	-	0.31	16.14	1.28	68.79	42.93	-	17.08	0.10	1.27	58.84	9.95
Vehicles	37.68	-	0.18	11.92	5.98	43.80	23.77	-	13.20	0.10	5.87	31.20	12.60
Total	**10,559.58**	**314.63**	**156.26**	**1,505.41**	**27.90**	**11,878.72**	**4,424.42**	**21.91**	**1,790.76 (b)**	**12.99**	**24.89**	**6,181.37**	**5,697.35**

(a) Includes ₹ 6.32 crore (for the Year ended March 31, 2020 ₹ 31.76 crore) for capital expenditure on research and development.

(b) Depreciation for the year includes ₹ 8.25 crore (for the Year ended March 31, 2020 ₹ 9.16 crore) on assets during construction period.

(c) As on transition to Ind AS on July 1, 2015, the Company has elected to select the option to carry their Property, Plant and Equipment at their previous GAAP value. The Gross Block and Accumulated Depreciation as on the date of transition to Ind AS was ₹ 8,508.98 crore and ₹ 5,587.79 crore, respectively.

Notes Forming Part of Consolidated Financial Statements

8. INTANGIBLE ASSETS

₹ in Crore

Particulars	COST: Opening as at 01/04/2020	COST: Effect of foreign currency translation	COST: Additions During the Year	COST: Deductions/ adjustments during the year	COST: As at 31/03/2021	AMORTIZATION: Opening as at 01/04/2020	AMORTIZATION: For the Year	AMORTIZATION: Effect of foreign currency translation	AMORTIZATION: Deductions/ adjustments during the year	AMORTIZATION: Upto 31/03/2021	Net Carrying Amount As at 31/03/2021
Intangible Assets:											
Computer Software	25.06	(0.21)	5.16	0.10	29.91	18.95	4.68	(0.08)	0.10	23.45	6.46
Private Freight Terminal License	30.93	-	-	-	30.93	2.04	1.08	-	-	3.12	27.81
Mining Rights	19.16	-	8.04	-	27.20	0.95	0.27	-	-	1.22	25.98
Total	**75.15**	**(0.21)**	**13.20**	**0.10**	**88.04**	**21.94**	**6.03**	**(0.08)**	**0.10**	**27.79**	**60.25**

₹ in Crore

Particulars	COST: Opening as at 01/04/2019	COST: Effect of foreign currency translation	COST: Additions During the Year	COST: Deductions/ adjustments during the year	COST: As at 31/03/2020	AMORTIZATION: Opening as at 01/04/2019	AMORTIZATION: For the Year	AMORTIZATION: Effect of foreign currency translation	AMORTIZATION: Deductions/ adjustments during the year	AMORTIZATION: Upto 31/03/2020	Net Carrying Amount As at 31/03/2020
Intangible Assets:											
Computer Software	20.13	0.62	4.31	-	25.06	13.01	5.76	0.18	-	18.95	6.11
Private Freight Terminal License	30.93	-	-	-	30.93	0.96	1.08	-	-	2.04	28.89
Mining Rights	10.08	-	9.08	-	19.16	0.68	0.27	-	-	0.95	18.21
Total	**61.14**	**0.62**	**13.39**	**-**	**75.15**	**14.65**	**7.11**	**0.18**	**-**	**21.94**	**53.21**

(a) As on transition to Ind AS on July 1, 2015, the Company has elected to select the option to carry their Intangible Assets at their previous GAAP value.

Notes Forming Part of Consolidated Financial Statements

9. RIGHT OF USE ASSETS

₹ in Crore

Particulars	GROSS CARRYING AMOUNT: Opening as at 01/04/2020	GROSS CARRYING AMOUNT: Effect of foreign currency translation	GROSS CARRYING AMOUNT: Additions during the year	GROSS CARRYING AMOUNT: Deductions/ adjustments during the year	GROSS CARRYING AMOUNT: As at 31/03/2021	AMORTIZATION: Opening as at 01/04/2020	AMORTIZATION: Effect of foreign currency translation	AMORTIZATION: For the year	AMORTIZATION: Deductions/ adjustments during the year	AMORTIZATION: Upto 31/03/2021	Net Carrying Amount As at 31/03/2021
Land	419.38	(1.80)	49.75	2.02	465.31	30.44	(0.02)	8.81	-	39.23	426.08
Buildings	22.64	-	1.73	0.13	24.24	6.52	-	6.26	-	12.78	11.46
Plant and Equipment	3.03	-	0.63	0.64	3.02	1.68	-	0.99	-	2.67	0.35
Vehicles	8.46	-	0.60	1.22	7.84	2.41	-	1.82	-	4.23	3.61
Total	**453.51**	**(1.80)**	**52.71**	**4.01**	**500.41**	**41.05**	**(0.02)**	**17.88**	**-**	**58.91**	**441.50**

₹ in Crore

Particulars	GROSS CARRYING AMOUNT: Opening as at 01/04/2019	GROSS CARRYING AMOUNT: Transfer from property, plant and equipment as at 01/04/2019	GROSS CARRYING AMOUNT: Effect of foreign currency translation	GROSS CARRYING AMOUNT: Additions during the year	GROSS CARRYING AMOUNT: Deductions/ adjustments during the year	GROSS CARRYING AMOUNT: As at 31/03/2020	AMORTIZATION: Opening as at 01/04/2019	AMORTIZATION: Transfer from property, plant and equipment as at 01/04/2019	AMORTIZATION: For the year	AMORTIZATION: Effect of foreign currency translation	AMORTIZATION: Deductions/ adjustments during the year	AMORTIZATION: Upto 31/03/2020	Net Carrying Amount As at 31/03/2020
Land	66.97	314.63	6.00	31.78	-	419.38	-	21.91	8.49	0.04	-	30.44	388.94
Buildings	22.94	-	-	2.54	2.84	22.64	-	-	6.52	-	-	6.52	16.12
Plant and Equipment	2.48	-	-	0.55	-	3.03	-	-	1.68	-	-	1.68	1.35
Vehicles	3.28	-	-	5.18	-	8.46	-	-	2.41	-	-	2.41	6.05
Total	**95.67**	**314.63**	**6.00**	**40.05**	**2.84**	**453.51**	**-**	**21.91**	**19.10**	**0.04**	**-**	**41.05**	**412.46**

The Company has taken several assets including land, godowns, office premises, vehicles, heavy earth moving machineries on lease.

Notes Forming Part of Consolidated Financial Statements

10. NON CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
Indian Railway Finance Corporation Limited					
8.00% IRFC Tax Free Bonds - 23FB22	1,000	-	-	20,000	2.06
7.21% IRFC Tax Free Bonds - 26NV22	10,00,000	150	15.02	150	15.03
7.22% IRFC Tax Free Bonds - 30NV22	10,00,000	100	10.02	100	10.03
7.18% IRFC Tax Free Bonds - 19FB23	1,000	4,00,000	40.47	8,00,000	81.40
7.19% IRFC Tax Free Bonds - 31JL25	10,00,000	250	25.11	250	25.13
7.15% IRFC Tax Free Bonds- 21AG25	10,00,000	259	26.29	259	26.37
7.04% IRFC Tax Free Bonds - 03MR26	10,00,000	305	31.83	305	32.06
8.10% IRFC Tax Free Bonds - 23FB27	1,000	14,02,310	161.72	7,02,310	78.90
7.38% IRFC Tax Free Bonds - 26NV27	10,00,000	300	32.51	300	32.81
7.39% IRFC Tax Free Bonds - 06DC27	10,00,000	250	26.92	250	27.15
7.34% IRFC Tax Free Bonds - 19FB28	1,000	2,10,000	22.55	5,87,000	63.53
7.04% IRFC Tax Free Bonds - 23MR28	1,000	5,32,500	60.33	-	-
8.48% IRFC Tax Free Bonds - 21NV28	10,00,000	66	7.53	66	7.63
8.63% IRFC Tax Free Bonds - 26MR29	1,000	5,50,000	55.76	5,50,000	55.83
7.28% IRFC Tax Free Bonds- 21DC30	1,000	1,51,000	15.10	1,51,000	15.10
7.35% IRFC Tax Free Bonds - 22MR31	1,000	5,11,350	52.20	5,11,350	52.28
2.80% IRFC -10FB31	100 USD	33,000	24.30	-	-
Power Finance Corporation					
7.21% PFC Tax Free Bonds - 22NV22	10,00,000	150	15.05	500	50.25
7.16% PFC Tax Free Bonds - 17JL25	10,00,000	250	25.89	250	26.06
8.16% PFC Tax Free Bonds - 25NV26	1,00,000	1,000	10.92	1,000	11.06
8.30% PFC Tax Free Bonds - 01FB27	1,000	24,000	2.68	24,000	2.72
8.46% PFC Tax Free Bonds - 30AG28	10,00,000	300	33.35	300	33.70
8.54% PFC Tax Free Bonds - 16NV28	1,000	8,39,928	104.45	68,167	7.87
7.05% PFC Bonds - 09AG30	10,00,000	600	59.99	-	-
7.04% PFC Bonds - 16DC30	10,00,000	1,500	151.16	-	-
6.88% PFC Bonds - 11AP31	10,00,000	150	14.89	-	-
3.35 % PFC -16MY31	100 USD	13,000	9.57	-	-
3.95 % PFC - 23AP30	100 USD	30,000	22.32	-	-
4.50 % PFC 18JUN29	100 USD	20,000	15.76	-	-
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	-	-	14,38,951	144.97
8.27% NHAI Tax Free Bonds - 05FB24	1,000	1,00,000	10.54	1,00,000	10.71
7.11% NHAI Tax Free Bonds - 18SP25	10,00,000	250	25.05	250	25.06
7.02% NHAI Tax Free Bonds - 18FB26	10,00,000	330	33.46	330	33.54
8.30% NHAI Tax Free Bonds - 25JN27	1,000	4,56,388	53.69	-	-
8.48% NHAI Tax Free Bonds - 22NV28	10,00,000	228	26.38	228	26.75
7.28% NHAI Tax Free Bonds - 18SP30	10,00,000	158	17.19	150	16.32
7.35% NHAI Tax Free Bonds - 11JN31	1,000	15,23,022	177.19	7,71,022	85.87
7.39% NHAI Tax Free Bonds - 18FB31	10,00,000	950	105.80	950	106.57
7.39% NHAI Tax Free Bonds - 09MR31	1,000	13,75,838	159.62	3,85,462	38.55
Housing and Urban Development Corporation Limited					

Notes Forming Part of Consolidated Financial Statements

10. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	-	-	10,08,424	103.35
7.34% HUDCO Tax Free Bonds - 16FB23	1,000	1,50,000	15.06	2,50,000	25.16
7.19% HUDCO Tax Free Bonds - 31JL25	10,00,000	68	6.96	68	7.00
7.07% HUDCO Tax Free Bonds - 01OT25	10,00,000	250	25.14	250	25.16
7.00% HUDCO Tax Free Bonds - 09OT25	10,00,000	120	12.15	120	12.18
7.02% HUDCO Tax Free Bonds - 08FB26	1,000	2,80,066	28.24	2,80,066	28.28
7.04% HUDCO Tax Free Bonds - 15MR26	1,000	37,645	3.90	37,645	3.92
8.20%/ 8.35% HUDCO Tax Free Bonds - 05MR27	1,000	9,70,000	104.85	9,70,000	105.91
7.51% HUDCO Tax Free Bonds - 16FB28	1,000	1,19,000	12.77	1,19,000	12.87
8.56% HUDCO Tax Free Bonds - 02SP28	10,00,000	44	5.06	44	5.13
8.73% HUDCO Tax Free Bonds - 28MR29	1,000	20,000	2.34	20,000	2.37
7.39% HUDCO Tax Free Bonds - 08FB31	1,000	1,80,279	18.03	1,80,279	18.03
7.39% HUDCO Tax Free Bonds - 15MR31	1,000	3,00,439	31.46	11,00,439	115.62
India Infrastructure Finance Company Limited					
7.21% IIFCL Tax Free Bonds - 21NV22	10,00,000	-	-	150	15.13
7.19% IIFCL Tax Free Bonds - 22JN23	1,000	8,50,000	85.52	8,50,000	85.78
6.86% IIFCL Tax Free Bonds - 26MR23	1,000	50,000	5.06	50,000	5.09
8.11% IIFCL Tax Free Bonds - 05SP23	10,00,000	50	5.12	50	5.16
8.01% IIFCL Tax Free Bonds - 12NV23	1,000	50,000	5.21	50,000	5.29
8.41% IIFCL Tax Free Bonds - 22JN24	1,000	1,53,000	16.05	1,53,000	16.29
7.38% IIFCL Tax Free Bonds - 15NV27	10,00,000	250	26.60	250	26.79
7.38% IIFCL Tax Free Bonds - 21NV27	10,00,000	150	15.36	150	15.40
7.36% IIFCL Tax Free Bonds - 22JN28	1,000	4,46,000	46.80	4,46,000	47.05
7.02% IIFCL Tax Free Bonds - 26MR28	1,000	1,50,000	15.61	1,50,000	15.68
8.26% IIFCL Tax Free Bonds - 23AG28	10,00,000	100	11.20	100	11.33
8.46% IIFCL Tax Free Bonds - 30AG28	10,00,000	130	14.72	130	14.90
8.48% IIFCL Tax Free Bonds - 05SP28	10,00,000	64	7.25	64	7.34
8.38% IIFCL Tax Free Bonds - 12NV28	1,000	11,680	1.34	11,680	1.36
Rural Electrification Corporation					
7.21% REC Tax Free Bonds - 21NV22	10,00,000	-	-	250	25.12
7.22% REC Tax Free Bonds - 19DC22	1,000	50,000	5.08	50,000	5.13
8.12% REC Tax Free Bonds - 27MR27	1,000	45,564	4.99	45,564	5.05
7.38% REC Tax Free Bonds - 19DC27	1,000	1,00,000	10.65	1,00,000	10.73
8.46% REC Tax Free Bonds - 29AG28	10,00,000	181	20.43	181	20.67
8.46% REC Tax Free Bonds - 24SP28	1,000	3,22,500	36.69	3,00,000	34.27
7.50% REC Bonds - 28FB30	10,00,000	1,000	101.29	-	-
7.55% REC Bonds - 11MY30	10,00,000	738	75.08	-	-
6.80% REC NCD- 20DC30	10,00,000	250	24.91	-	-
5.25% REC Bonds- 13NV23	100 USD	10,000	8.01	-	-
Indian Renewable Energy Development Agency Limited					
7.17% IREDA Tax Free Bonds - 01OT25	10,00,000	150	15.45	150	15.53
7.49% IREDA Tax Free Bonds - 21JN31	1,000	8,68,838	87.90	8,68,838	87.97
National Bank for Agriculture and Rural Development					
7.07% NABARD Tax Free Bonds - 25FB26	10,00,000	100	10.54	100	10.63

Notes Forming Part of Consolidated Financial Statements

10. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
6.39% NABARD Bonds - 19NV30	10,00,000	750	71.74	-	-
7.35% NABARD Tax Free Bonds - 23MR31	1,000	4,55,065	51.48	3,91,829	44.13
NTPC Limited					
7.15% NTPC Tax Free Bonds 21AG25	10,00,000	450	47.35	450	47.81
National Housing Bank					
8.46% NHB Tax Free NCD - 30AG28	10,00,000	400	46.35	400	47.03
8.63% NHB Tax Free NCD - 13JN29	5,000	30,000	18.66	-	-
8.68% NHB Tax Free NCD - 24MR29	5,000	67,000	42.05	-	-
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	-	-	200	20.16
Birla Corporation Limited					
9.25% Birla Corporation Limited NCD - 18AG26	10,00,000	400	41.35	400	41.55
Housing Development Finance Corporation Limited					
7.40% HDFC Bonds - 28FB30	10,00,000	350	35.48	-	-
7.25% HDFC Bonds - 17JUN30	10,00,000	1,800	181.00	-	-
6.83% HDFC Bonds - 8JN31	10,00,000	1,610	157.20	-	-
LIC Housing Finance Limited					
7.95% LICHF Bonds 29JN28	10,00,000	200	21.10	-	-
7.99% LICHF Bonds 12JL29	10,00,000	335	35.68	-	-
Hero FinCorp Limited					
6.95% HERO FIN CORP Bonds 03NV25	10,00,000	500	49.76	-	-
Mahindra Rural Housing Finance LImited					
7.75% MRHFL Bonds 15JL25	10,00,000	500	51.15	-	-
Food Corporation Of India					
6.65% FCI Bonds 23OT30	10,00,000	450	43.24	-	-
Mahanagar Telephone Nigam Limited					
7.05% MTNL Bonds 11OT30	10,00,000	1,000	100.00	-	-
6.85% MTNL Bonds 20DC30	10,00,000	750	73.01	-	-
JSW Steel Limited					
5.25% JSW Bonds 13 AP 22	100 USD	10,000	7.50	-	-
5.95% JSW Bonds 18 AP 24	100 USD	10,000	7.96	-	-
Egypt, Arab Republic of (Government)					
5.25% ECGV Bonds 06 OCT 25	100 USD	15,000	11.70	-	-
Total (A)			**3,699.19**		**2,298.66**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
Perpetual Bonds					
Bank of Baroda					
8.70% Bank of Baroda Non Convertible Perpetual Bonds	10,00,000	-	-	1,740	165.55
State Bank of India					
8.50% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	850	83.28

Notes Forming Part of Consolidated Financial Statements

10. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
9.56% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	250	25.56
8.75% State Bank of India Non Convertible Perpetual Bond	10,00,000	-	-	1,250	123.66
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 10.3)					
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. May 16, 2021	7,500	-	-	52,000	-
16.46% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. October 5, 2022	7,500	13,500	-	13,500	-
L&T Finance Holdings Limited					
7.50% Redeemable Non Convertible Preference Shares (Fully Paid-up), redeemable at par as at December 22, 2023	100	20,00,000	19.23	20,00,000	18.70
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	-	-	3,50,00,000	41.68
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	-	-	7,50,00,000	89.35
Aditya Birla Sun Life Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	-	-	10,00,00,000	118.87
Kotak FMP Series 216 Direct - Growth	10	-	-	3,00,00,000	35.82
ICICI Prudential Fixed Maturity Plan Series 87-1174 Days Plan B Direct Plan Cumulative	10	1,00,00,000	11.08	1,00,00,000	10.12
SBI FMP- Series 41 (1498 Days) Direct Growth	10	14,99,92,500	149.99	-	-
In Exchange Traded Fund					
Bharat Bond ETF - April 2023 - Growth	1,000	12,50,000	139.63	12,50,000	127.94
Bharat Bond ETF - April 2031 - Growth	1,000	39,99,800	407.30	-	-
Nippon India ETF Nifty CPSE Bond Plus SDL 2024 Maturity	100	97,82,600	100.78	-	-
In STRIPS issued by the Government of India					
CSTRIP GS 12-JUN-2027C	100	10,59,600	7.20	-	-
CSTRIP GS 12-DEC-2027C	100	10,59,600	6.91	-	-
CSTRIP GS 15-MAR-2028C	100	1,00,00,000	63.87	-	-
CSTRIP GS 12-JUN-2028C	100	10,59,600	6.64	-	-
CSTRIP GS 12-DEC-2028C	100	10,59,600	6.40	-	-
CSTRIP GS 12-JUN-2029C	100	10,59,600	6.21	-	-
UNQUOTED					
Preference Shares					
Tata Capital Limited					

Notes Forming Part of Consolidated Financial Statements

10. NON CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
7.50% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. September 15, 2023	1,000	-	-	6,00,000	59.21
7.33% Non Convertible Cumulative Redeemable Preference Shares (Fully Paid-up), redeemable at par in 7 years from the date of issue, i.e. July 27, 2024	1,000	7,50,000	74.60	7,50,000	72.88
Total (B)			**999.84**		**972.62**
Investments at Cost (C)					
UNQUOTED					
Subsidiaries					
Fully Paid Equity shares					
Shree Cement East Bengal Foundation (Refer Note 10.4)	10	26,000	-	-	-
Total (C)			-		-
TOTAL (A+B+C)			**4,699.03**		**3,271.28**

10.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS:

₹ in Crore

	As at 31/03/2021 Aggregate Carrying Amount	As at 31/03/2021 Market Value	As at 31/03/2020 Aggregate Carrying Amount	As at 31/03/2020 Market Value
Quoted Investments:				
- In Bonds, Debentures, Preference shares, Mutual Funds, Exchange Traded Fund and STRIPS	4,624.43	4,809.75	3,139.19	3,223.55
Total	**4,624.43**	**4,809.75**	**3,139.19**	**3,223.55**
10.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS	**74.60**		**132.09**	

10.3 In August 2018, credit rating agencies downgraded Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (referred to as "IL&FS Group") credit rating to junk status. Accordingly, the Company had accounted fair value loss of investment in IL&FS Group in FY 2018-19.

10.4 The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and hence, not consolidated in the Consolidated Financial Statements.

Notes Forming Part of Consolidated Financial Statements

11. FINANCIAL ASSETS - LOANS

₹ in Crore

	Non-Current As at 31/03/2021	Non-Current As at 31/03/2020	Current As at 31/03/2021	Current As at 31/03/2020
(Unsecured, Considered Good)				
Loans to Staff and Workers	4.46	5.68	4.48	5.47
Loans to Subsidiary (Refer Note 10.4 and Note 43)	-	-	16.75	-
Security Deposits (Refer Note 43)	57.68	48.28	4.00	2.40
	62.14	**53.96**	**25.23**	**7.87**

12. FINANCIAL ASSETS - OTHERS

₹ in Crore

	Non-Current As at 31/03/2021	Non-Current As at 31/03/2020	Current As at 31/03/2021	Current As at 31/03/2020
(Unsecured, Considered Good)				
Advances to Staff and Workers	-	-	2.62	4.02
Derivative Financial Instruments	50.59	138.17	10.44	103.98
Fixed Deposits with Banks (maturity more than 12 months)	18.69	18.00	-	-
Interest Accrued on Bonds, Debentures, Deposits and Loans (Refer Note 43)	-	-	138.24	96.05
Others	3.11	4.22	8.58	6.95
	72.39	**160.39**	**159.88**	**211.00**

13. DEFERRED TAX ASSETS (NET)

₹ in Crore

	As at 31/03/2020	Recognised in P&L	Recognised in OCI	Recognised in Equity	As at 31/03/2021
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	4.09	21.08	-	-	25.17
Expenses allowed for tax purpose when paid	204.15	2.00	-	-	206.15
Depreciation and Amortization	487.46	38.47	-	-	525.93
Cash Flow Hedges	15.93	-	6.03	(4.07)	17.89
MAT Credit Entitlement	-	1.43	-	-	1.43
Fair Value of Investments	58.91	(22.80)	-	-	36.11
Others	0.65	0.14	-	-	0.79
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	23.27	0.10	-	-	23.37
Others	4.14	(0.12)	-	-	4.02
Net Deferred Tax Assets/ (Liabilities)	**743.78**	**40.34**	**6.03**	**(4.07)**	**786.08**

Notes Forming Part of Consolidated Financial Statements

13. DEFERRED TAX ASSETS (NET) (contd.)

₹ in Crore

	As at 31.03.2019	Recognised in P&L	Recognised in OCI	Recognised in Equity	As at 31/03/2020
Deferred Tax Assets:					
Arising on account of:					
Long-term and Short-term Capital Losses	1.55	2.54	-	-	4.09
Expenses allowed for tax purpose when paid	186.71	17.44	-	-	204.15
Depreciation and Amortization	343.16	144.30	-	-	487.46
Cash Flow Hedges	19.59	-	(4.72)	1.06	15.93
MAT Credit Entitlement	19.43	(19.43)	-	-	-
Fair Value of Investments	45.53	13.38	-	-	58.91
Others	0.51	0.14	-	-	0.65
Deferred Tax Liabilities:					
Arising on account of:					
Fair Value of Investments	-	23.27	-	-	23.27
Others	3.84	0.30	-	-	4.14
Net Deferred Tax Assets/ (Liabilities)	**612.64**	**134.80**	**(4.72)**	**1.06**	**743.78**

14. OTHER ASSETS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
(Unsecured, Considered Good)				
Advances to Suppliers and Contractors	-	-	114.67	132.32
Capital Advances	315.90	306.90	-	-
Assets Held for Disposal	-	-	0.08	0.08
Prepaid Expenses	3.97	2.45	11.85	8.55
Other Receivables	71.51	40.80	964.18	1,039.53
	391.38	**350.15**	**1,090.78**	**1,180.48**

14.1 Other receivables includes GST/Sales tax, Government grants and other dues from Government etc.

15. INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Raw Materials [Includes in transit ₹ 14.41 crore (As at March 31, 2020: ₹ 13.16 crore)]	87.46	79.34
Fuel [Includes in transit ₹ 449.82 crore (As at March 31, 2020: ₹ 401.04 crore)]	642.40	616.31
Stores and Spares	683.26	686.74
Packing Materials	49.10	26.44
Work-in-Progress [Includes in transit ₹ 22.91 crore (As at March 31, 2020: ₹ 8.46 crore)]	170.06	196.01
Finished Goods [Includes in transit ₹ 17.37 crore (As at March 31, 2020: ₹ 15.31 crore)]	83.44	108.65
	1,715.72	**1,713.49**

Notes Forming Part of Consolidated Financial Statements

16. CURRENT INVESTMENTS

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021		As at 31/03/2020	
		No.	Amount	No.	Amount
Investments at Amortised Cost (A)					
QUOTED					
Bonds and Non Convertible Debentures (NCD)					
JK Lakshmi Cement Limited					
8.90% JK Lakshmi Cement Limited NCD - 06JN22	10,00,000	200	20.07	-	-
Housing and Urban Development Corporation Limited					
8.10% HUDCO Tax Free Bonds - 05MR22	1,000	10,08,424	102.09	-	-
National Highways Authority of India					
8.20% NHAI Tax Free Bonds - 25JN22	1,000	4,38,951	44.05	-	-
Huarong Leasing Management Hong Kong Company Limited					
1.90% HLM Bonds 12JN22	100 USD	30,000	22.14	-	-
Total (A)			**188.35**		**-**
Investments at Fair Value through Profit or Loss (B)					
QUOTED					
In Units of Mutual Funds					
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan G Direct Plan Cumulative	10	3,50,00,000	44.25	-	-
ICICI Prudential Fixed Maturity Plan Series 82-1215 Days Plan H Direct Plan Cumulative	10	7,50,00,000	95.10	-	-
Aditya Birla Sun Life Fixed Term Plan - Series PC (1169 Days) Direct Growth	10	10,00,00,000	126.50	-	-
Kotak FMP Series 216 Direct - Growth	10	3,00,00,000	38.28	-	-
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	20,77,11,465	628.97	20,77,11,465	603.80
SBI Arbitrage Opportunities Fund - Direct Plan- Growth	10	3,59,47,544	98.05	8,02,31,715	212.36
ICICI Prudential Equity Arbitrage Fund - Drt Growth	10	20,99,60,326	588.98	20,99,60,326	566.52
Aditya Birla Sun Life Arbitrage Fund - Growth Direct Plan	10	11,30,09,186	246.15	11,30,09,186	236.49
HDFC Arbitrage Fund - WP-DP-Growth	10	11,23,81,015	173.42	15,00,29,041	223.32
UTI Arbitrage Fund - Direct Growth Plan	10	3,49,16,053	99.35	4,42,55,423	120.93
IDFC Arbitrage Fund - Growth (Direct Plan)	10	15,12,00,057	404.61	19,27,81,910	496.04
Nippon India Arbitrage Fund - Direct Growth Plan	10	22,16,66,710	483.83	22,16,66,710	463.95
Axis Arbitrage Fund - Direct Growth(EA-DG)	10	10,96,05,472	169.26	10,96,05,472	162.85
Nippon India Dynaminc Bond Fund - Direct Growth Plan	10	8,28,06,868	251.34	-	-
Kotak Overnight Fund Direct - Growth	1000	4,09,883	45.00	-	-
ABSL Overnight Fund Direct - Growth	1000	2,69,688	30.01	-	-
ICICI Prudential Overnight Fund DP Growth	100	45,05,485	50.00	-	-
Axis Overnight Fund DP Growth	1000	3,67,852	40.02	-	-
ICICI Prudential FMP Series 80-1138 D Plan R Cumulative	10	-	-	50,000	0.06
Preference Shares					
Infrastructure Leasing and Financial Services Limited (Refer Note 10.3)					
16.06% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. March 25, 2021	7,500	28,000	-	28,000	-
15.99% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 7 years from the date of issue, i.e. May 16, 2021	7,500	52,000	-	-	-

Notes Forming Part of Consolidated Financial Statements

16. CURRENT INVESTMENTS (contd.)

₹ in Crore

Particulars	Face Value (in ₹)	As at 31/03/2021 No.	As at 31/03/2021 Amount	As at 31/03/2020 No.	As at 31/03/2020 Amount
IL&FS Financial Services Ltd. (Refer Note 10.3)					
16.99% / 17.38% Non Convertible Redeemable Cumulative Preference Shares (Fully Paid-up), redeemable at premium in 5 years from the date of issue, i.e. March 30, 2021	7,500	33,400	-	33,400	-
Total (B)			**3,613.12**		**3,086.32**
TOTAL (A+B)			**3,801.47**		**3,086.32**

16.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS :

₹ in Crore

	As at 31/03/2021 Aggregate Carrying Amount	As at 31/03/2021 Market Value	As at 31/03/2020 Aggregate Carrying Amount	As at 31/03/2020 Market Value
Quoted Investments:				
- In Bonds, Preference Shares and Mutual Funds	3,801.47	3,805.04	3,086.32	3,086.32
Total	**3,801.47**	**3,805.04**	**3,086.32**	**3,086.32**

16.2 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

₹ in Crore

	As at 31/03/2021 Aggregate Carrying Amount	As at 31/03/2021 Market Value	As at 31/03/2020 Aggregate Carrying Amount	As at 31/03/2020 Market Value
	-		-	

17. TRADE RECEIVABLES

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Secured, Considered Good	454.03	487.93
Unsecured		
Considered Good (Refer Note 17.1)	231.87	592.52
Considered Significant Increase in Credit Risk	33.37	13.16
	719.27	**1,093.61**
Less: Allowance for Doubtful Trade Receivables	33.37	13.16
	685.90	**1,080.45**

17.1 Undated cheques of ₹ 82.64 crore (as at March 31, 2020: ₹ 102.15 crore) are held against receivables considered good.

17.2 Refer Note 49 for information about credit risk and market risk of trade receivables.

17.3 The average payment terms with customers within India is 3-30 days and outside India is 120 days for cement and for clinker against site LC.

18. CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Balances with Banks	432.55	15.89
Cash on Hand	1.02	1.51
Call Deposits with Banks	0.61	1.42
Fixed Deposits with Banks Having Original Maturity upto 3 Months	37.96	95.39
	472.14	**114.21**

Notes Forming Part of Consolidated Financial Statements

19. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Earmarked Balance with Banks for Unpaid Dividend (Refer note 23.1)	4.09	6.28
Margin Money (Pledged with Banks) (Refer note 19.1 below)	52.72	67.05
Fixed Deposits With Banks (Refer note 19.2 below)	198.09	444.67
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 12)	(18.69)	(18.00)
	236.21	**500.00**

19.1 Includes deposits of ₹ 39.01 crore (As at March 31, 2020: ₹ 55.74 crore) are pledged with banks against overdraft facilities. (Refer Note 26.2)

19.2 Includes ₹ 67.53 crore (As at March 31, 2020: ₹ 65.23 crore), given as security to Government department and others.

20. SHARE CAPITAL

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Authorised		
6,00,00,000 (As at March 31, 2020: 6,00,00,000) Equity Shares of ₹ 10/- each	60.00	60.00
15,00,000 (As at March 31, 2020: 15,00,000) Cumulative Preference Shares of ₹ 100/- each	15.00	15.00
	75.00	**75.00**
Issued, Subscribed and Paid-up		
3,60,80,748 (As at March 31, 2020: 3,60,80,748) Equity Shares of ₹ 10/- each fully paid-up	36.08	36.08
	36.08	**36.08**

20.1 Details of shareholders holding more than 5% shares of the Company:

Name of Shareholders	As at 31/03/2021 Number of Shares held	As at 31/03/2021 % of Total Paid-up Equity Share Capital	As at 31/03/2020 Number of Shares held	As at 31/03/2020 % of Total Paid-up Equity Share Capital
Shree Capital Services Limited	89,84,155	24.90	89,84,155	24.90
Digvijay Finlease Limited	42,34,780	11.74	42,34,780	11.74
FLT Limited	36,00,000	9.98	36,00,000	9.98
Mannakrishna Investments Private Limited	20,42,824	5.66	20,42,824	5.66

20.2 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

20.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

20.4 Reconciliation of the Shares Outstanding at the beginning and at the end of the year:

₹ in Crore

Particulars	Numbers	Amount
Equity shares outstanding as at 01/04/2019	**3,48,37,225**	**34.84**
Add: Equity shares issued during the year (Refer Note 20.5)	12,43,523	1.24
Equity shares outstanding as at 31/03/2020	**3,60,80,748**	**36.08**
Add: Equity shares issued during the year	-	-
Equity shares outstanding as at March 31, 2021	**3,60,80,748**	**36.08**

Notes Forming Part of Consolidated Financial Statements

20. SHARE CAPITAL (contd.)

20.5 During the year ended March 31, 2020, the Company through Qualified Institutions Placement (QIP) allotted 12,43,523 Equity Shares (fully paid up) to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 19,300 per equity share of face value of ₹ 10 each (inclusive of premium of ₹ 19,290 per equity share) aggregating to ₹ 2,400 crore. The issue was made in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and with the applicable provisions of the Companies Act, 2013. Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹ 34.84 crore comprising of 3,48,37,225 equity shares to ₹ 36.08 crore comprising of 3,60,80,748 equity shares. Share issue expenses are charged off against securities premium.

20.6

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:	Nil	Nil

20.7 The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited and the annual listing fees has been paid for the year.

21. OTHER EQUITY

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Capital Redemption Reserve	15.00	15.00
Capital Reserve	10.84	10.84
Securities Premium	2,408.63	2,408.63
Statutory Reserve	5.20	5.20
General Reserve	6,500.00	6,000.00
Retained Earnings	6,322.68	4,523.09
Foreign Currency Translation Reserve	134.31	200.24
Effective Portion of Cash Flow Hedges	(35.33)	(29.65)
	15,361.33	**13,133.35**

21.1 Refer Statement of Changes in Equity for detailed movement, nature and purpose in other equity balances.

22. BORROWINGS

₹ in Crore

	Non-Current Portion		Current Maturities	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Secured				
External Commercial Borrowings	1,331.55	1,638.70	293.60	796.75
	1,331.55	**1,638.70**	**293.60**	**796.75**
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note 23)	-	-	(293.60)	(796.75)
	1,331.55	**1,638.70**	**-**	**-**

Notes Forming Part of Consolidated Financial Statements

22. BORROWINGS (contd.)

22.1 Nature of securities and terms of repayment of each loan:

₹ in Crore

Sr. No.	Nature of Securities	Interest Rate	Loan Amount as at 31/03/2021	Loan Amount as at 31/03/2020	Terms of Repayment
	External Commercial Borrowings				
1	Hypothecation (First Pari Passu Charge) on all movable fixed assets of the Company and Equitable Mortgage (First Pari Passu Charges) on the immovable fixed assets of the Company located at Beawar, Rajasthan. The charge shall rank pari passu with other term lenders.	6 Months USD LIBOR+1% (Fixed rate of 8.30% including the effect of related cross currency and interest rate swaps)	-	301.54	Fully repaid on 08/05/2020
			-	301.54	Fully repaid on 24/09/2020
		3 Months USD LIBOR+0.70% (Fixed rate of 7.81% on INR including the effect of related cross currency and interest rate swaps)	813.79	937.98	Repayable in 8 half yearly equal instalments of USD 1.389 crore w.e.f. 28/09/2021
		3 Months USD LIBOR+0.71% (Fixed rate of 7.82% of INR including the effect of related cross currency and interest rate swaps)	328.98	374.35	Repayable in 6 half yearly instalments w.e.f. 27/09/2021 (First two instalments of USD 0.25 crore each, next two instalments of USD 0.50 crore each and last two instalments of USD 1.5 crore each)
		2.72% on SGD (Fixed rate of 7.96% on INR including the effect of related cross currency and interest rate swaps [USD to INR])	482.38	520.04	Repayable in 6 half yearly instalments w.e.f. 27/09/2021 (First two instalment of SGD 0.49 crore each (i.e USD 0.375 crore each), next two instalments of SGD 0.981 crore each (i.e. USD 0.75 crore each) and last two instalments of SGD 2.943 crore each (i.e. USD 2.25 crore each))
	TOTAL		**1,625.15**	**2,435.45**	
	Less: Current Maturities of Long Term Debt		293.60	796.75	
	Total Non-Current Portion		**1,331.55**	**1,638.70**	

There is no default in repayment of principal and interest thereon.

Notes Forming Part of Consolidated Financial Statements

23. FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Current Maturities of Long-Term Debt	-	-	293.60	796.75
Lease Liabilities	83.95	92.39	12.08	14.52
Interest Accrued but not Due on Borrowings	-	-	0.24	4.39
Derivative Financial Instruments	71.97	144.93	18.68	16.91
Unpaid Dividends (Refer Note 23.1)	-	-	14.13	18.22
Security Deposits from Customers, Vendors & Others	844.57	779.02	42.81	41.17
Payable for Capital Goods	-	-	70.61	77.50
Others (Refer Note 23.2)	-	-	365.59	385.22
	1,000.49	**1,016.34**	**817.74**	**1,354.68**

23.1 There are no amounts due and outstanding to Investor Education and Protection Fund as at March 31, 2021 and March 31, 2020 (Refer note 19).

23.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

24. DEFERRED TAX LIABILITIES

₹ in Crore

	As at 31/03/2020	Recognised in P&L	Recognised in OCI	As at 31/03/2021
Deferred Tax Liabilities:				
Arising on account of:				
Depreciation and Amortization	0.18	(0.18)	-	-
Deferred Tax Assets:				
Arising on account of:				
MAT Credit Entitlement	0.01	(0.01)	-	-
Net Deferred Tax Liabilities /(Assets)	**0.17**	**(0.17)**	**-**	**-**

₹ in Crore

	As at 31/03/2019	Recognised in P&L	Recognised in OCI	As at 31/03/2020
Deferred Tax Liabilities:				
Arising on account of:				
Depreciation and Amortization	0.27	(0.09)	-	0.18
Deferred Tax Assets:				
Arising on account of:				
MAT Credit Entitlement	0.02	(0.01)	-	0.01
Net Deferred Tax Liabilities /(Assets)	**0.25**	**(0.08)**	**-**	**0.17**

25. PROVISIONS

₹ in Crore

	Non-Current		Current	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Provision for Employee Benefits				
Gratuity [Refer note 40 (b)]	-	-	0.56	0.27
End of Service Benefits [Refer Note 40 (b)]	21.20	25.96	-	-
Other Staff Benefit Schemes	2.88	2.07	7.22	6.56
Other Provisions				
Mines Reclamation Expenses (Refer Note 41)	7.67	7.11	0.52	0.60
	31.75	**35.14**	**8.30**	**7.43**

Notes Forming Part of Consolidated Financial Statements

26. CURRENT BORROWINGS

₹ in Crore

	As at 31/03/2021	As at 31/03/2020
Secured		
Loans Repayable on Demand from Banks (Refer Note 26.1)	289.61	637.70
Bank Overdraft (Refer Note 26.2)	20.15	32.52
Unsecured		
Loans Repayable on Demand from Banks	-	40.00
Commercial Papers	198.94	-
	508.70	**710.22**

26.1 As at March 31, 2021 - Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis.

As at March 31, 2020 - Demand loans from banks are secured by hypothecation of inventories of stock-in-trade, stores & spares, book-debts and all other current assets of the Company on first charge basis and on whole of movable fixed assets of the Company on second charge basis and also secured by joint equitable mortgage on all the immovable assets of the Company situated at Beawar on second charge basis.

26.2 Bank Overdraft is secured against pledge of Fixed Deposits and payable on demand. (Refer Note 19.1)

26.3 There is no default in repayment of principal and interest thereon.

27. OTHER CURRENT LIABILITIES

₹ in Crore

	Current	
	As at 31/03/2021	As at 31/03/2020
Customers Advances (Refer Note 27.1)	210.34	207.97
Withholding and Other Taxes Payable	286.27	130.03
Provident Fund and Superannuation Payable	16.72	13.80
Other Statutory Liabilities	901.68	870.37
	1,415.01	**1,222.17**

27.1 Revenue of ₹ 197.14 crore (for the year ended March 31, 2020: ₹ 124.06 crore) recognised during current year that was included in customer advances outstanding at the beginning of the year.

28. REVENUE FROM OPERATIONS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Sale of Products and Services		
Sale of Products	13,068.63	12,083.46
Power Sales	105.98	515.59
Services	2.68	1.87
	13,177.29	**12,600.92**
Other Operating Revenue		
Incentives and Subsidies (under various incentive schemes of State and Central Government)	255.91	237.59
Scrap Sales	35.07	23.84
Others	8.06	6.04
	299.04	**267.47**
	13,476.33	**12,868.39**

28.1 Sale of Products is net of ₹ 815.70 crore (for the year ended March 31, 2020: ₹ 804.27 crore) on account of cash discount, rebates and incentives given to customers.

Notes Forming Part of Consolidated Financial Statements

29. OTHER INCOME

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Interest Income		
On Deposits Classified at Amortised cost	17.66	27.24
On Bonds and Debentures Classified at Amortised cost	205.47	144.22
On Tax Refund	6.03	3.14
Others	0.78	1.41
Dividend Income on Investments Classified at Fair Value through Profit or Loss	9.16	40.75
Net Gain / (Loss) on Sale of Investments		
Classified at Amortised cost	23.70	-
Classified at Fair Value through Profit or Loss	11.43	(3.43)
Other Non Operating Income		
Net Gain / (Loss) on Fair Value of Investments through Profit or Loss	156.59	54.14
Profit on Sale of Property, Plant and Equipment (Net)	4.37	4.03
Provision No Longer Required	19.44	-
Balances Written Back	8.63	0.93
Other Miscellaneous Income	3.07	1.97
	466.33	**274.40**

30. COST OF MATERIALS CONSUMED

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Raw Materials Consumed		
Gypsum	214.41	235.04
Fly Ash	297.07	265.68
Red Ochre and Slag	124.13	83.18
Sulphuric Acid	46.37	43.90
Others	294.39	294.59
	976.37	**922.39**

31. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Closing Stock		
Work-in-Progress	170.06	196.01
Finished Goods	83.44	108.65
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	(2.07)	(2.06)
	251.43	**302.60**
Opening Stock		
Work-in-Progress	196.01	227.06
Finished Goods	108.65	110.05
Add / (Less): Exchange Rate Fluctuation on Acccount of Average Rate Transferred to Currency Translation Reserve	(3.63)	2.66
	301.03	**339.77**
(Increase) / Decrease	**49.60**	**37.17**

Notes Forming Part of Consolidated Financial Statements

32. EMPLOYEE BENEFITS EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Salaries, Wages and Bonus (Refer note 40)	762.73	747.23
Contribution to Provident and other Funds (Refer note 40)	89.34	87.12
Staff Welfare Expenses	17.15	19.64
	869.22	**853.99**

33. FREIGHT AND FORWARDING EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
On Finished Products	2,294.31	1,932.15
On Inter Unit Clinker Transfer	815.88	729.92
	3,110.19	**2,662.07**

34. FINANCE COSTS

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Interest Expenses at Amortised Cost	242.51	286.54
Bank and Finance Charges	2.33	2.77
Interest Expenses on Lease Liabilities (under Ind AS 116- Leases)	5.87	6.32
Unwinding of Discount on Provision	0.58	0.54
	251.29	**296.17**
Less: Interest Capitalised (Refer Note 34.1)	-	4.74
	251.29	**291.43**

34.1 During the year ended March 31, 2020, borrowing costs are capitalised using interest rates ranging between 7.81% to 7.96% per annum.

35. OTHER EXPENSES

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Stores and Spares Consumed	311.45	348.41
Packing Materials Consumed	429.91	355.03
Royalty and Cess	287.47	275.15
Mines Reclamation Expenses	0.61	0.62
Repairs to Plant and Machinery	269.35	292.74
Repairs to Buildings	29.42	31.52
Rent (Refer Note 35.1)	13.63	13.27
Insurance	14.63	9.28
Rates and Taxes	58.94	13.08
Travelling	32.43	39.84
Commission to Non-executive Directors	2.31	2.00
Directors' Sitting Fees and Expenses	2.35	2.52
Advertisement and Publicity	133.34	114.77
Sales Promotion and Other Selling Expenses	182.10	164.66
Foreign Exchange Rate Differences (Net)	0.26	0.65
Corporate Social Responsibility Expenses (Refer Note 35.2)	45.73	40.47

Notes Forming Part of Consolidated Financial Statements

35. OTHER EXPENSES (contd.)

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Assets Written Off	0.65	2.63
Allowance for Doubtful Trade Receivables (Net)	20.65	4.35
Contribution to Electrol Bond /Political Parties	12.00	11.50
Miscellaneous (Refer Note 35.3)	195.15	203.67
	2,042.38	**1,926.16**

35.1 Rent expenses is relating to the various short term leases accounted by applying exemption under Ind AS 116 - 'Leases'.

35.2 Details of Corporate Social Reponsibility Expenses:

(a) The amount required to be spent under section 135 of the Companies Act, 2013 for the year ended March 31, 2021 is ₹ 44.84 crore (previous year: ₹ 40.31 crore)

(b) Amount spent on Corporate Social Responsibility on:

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	45.73	40.47

35.3 Miscellaneous Expenses include the payments made to Auditors:

₹ in Crore

	For the year ended 31/03/2021	For the year ended 31/03/2020
Statutory Auditors		
Audit Fees	0.87	0.76
Tax Audit Fees ₹ 15,000 (for the year ended March 31, 2020: ₹ 15,000) for a Subsidiary Company	-	-
Certification / Other Services (for the year ended March 31, 2020: includes ₹ 0.15 crore in relation to services given for Qualified Institutional Placement (QIP) which has been charged off against securities premium)	0.12	0.25
Reimbursement of Expenses (₹ 41,250 for the year ended March 31, 2021)	-	0.14
Cost Auditors		
Audit Fees	0.05	0.05
Certification / Other Services	-	-
Reimbursement of Expenses (₹ Nil for the year ended March 31, 2020: ₹ 21,002)	-	-

36. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

a. Custom duty (including interest) ₹ 69.35 crore (As at March 31, 2020: ₹ 66.93 crore).

b. Service Tax and Education Cess (including interest) ₹ 1.25 crore (as at March 31, 2020: ₹ 1.16 crore).

c. (i) Competition Commission of India (CCI), vide its order dated August 31, 2016 imposed a penalty of ₹ 397.51 crore on the Company for alleged violation of Competition Act. The Company has appealed against the said order and Competition Appellate Tribunal (COMPAT), vide its order dated November 7, 2016, granted stay on CCI order subject to deposition of 10% of penalty amount and levy of interest of 12% p.a. on balance amount if the appeal is ultimately dismissed. The Company has complied with the order and the matter is now being heard at National Company Law Appellate Tribunal (NCLAT).

Notes Forming Part of Consolidated Financial Statements

36. CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT) (contd.)

(ii) In another matter, CCI vide its order dated January 19, 2017 imposed a penalty of ₹ 18.44 crore on the Company in connection with an enquiry in respect of a cement supply tender of Government of Haryana. The Company has filed an appeal before COMPAT (now NCLAT) against the above order.

Based on the Company's own assessment and advice given by its legal counsels, the Company has a strong case in both the above appeals and thus pending final disposal of the appeals, the matters have been disclosed as contingent liability.

d. The Divisional Bench of Hon'ble Rajasthan High Court vide Judgement dated December 6, 2016 has allowed the appeal filed by Commercial Taxes Department / Finance Department of the Govt. of Rajasthan against earlier favorable order of single member bench of Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan.

Vide the above Judgement of Hon'ble High Court, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed Special Leave Petition before the Hon'ble Supreme Court against the above judgment which is admitted for deciding on merits. The Commercial Taxes Department had issued notices seeking reply for recovering differential subsidy, the said notices are challenged by the Company before Rajasthan High Court and High Court has stayed further proceedings by department against us.

Based on the legal opinion, it has a good case before Hon'ble Supreme Court. Accordingly, no provision has been made for differential subsidy (i.e. difference of 75% and 50%) amounting to ₹ 73.08 crore received and ₹ 282.30 crore not received though accounted for.

37. Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 793.36 crore (As at March 31, 2020: ₹ 321.90 crore).

38. Capital work-in-progress includes directly attributable expenses of ₹ 73.62 crore (As at March 31, 2020: ₹ 84.12 crore) which includes depreciation of ₹ 8.10 crore (for the year ended March 31, 2020: ₹ 13.94 crore) on assets during construction period.

39. EXPENDITURE ON RESEARCH AND DEVELOPMENT

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Capital	6.32	31.76
Revenue	21.54	16.64
Total	**27.86**	**48.40**

40. EMPLOYEE BENEFITS: (REFER NOTE 32)

(a) Contribution to defined contribution plans recognised as expenses are as under:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Superannuation Fund	8.68	7.99
Provident Fund (Includes contribution to PF trust ₹ 5.61 crore (₹ 4.91 crore for the year ended March 31, 2020))	55.14	52.04
National Pension Scheme	3.48	4.89
Retirement Pension and Social Security Scheme	2.48	2.51
ESIC	0.26	0.14
Total	**70.04**	**67.57**

Notes Forming Part of Consolidated Financial Statements

40. EMPLOYEE BENEFITS: (REFER NOTE 32) (contd.)

(b) Defined Benefit Plan

(i) **Gratuity -** The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

(ii) **End of Service Benefit-** End of service benefit is payable to Non UAE National employees (in subsidiary companies based in UAE) based on the employee' service and last drawn salary at the time of leaving the services of the Group and in accordance with the rule of the Group for payment of end of service benefit. The scheme is unfunded.

Disclosure for defined benefit plans based on actuarial reports:

₹ in Crore

Particulars	Gratuity (Funded)		End of Service Benefit (Unfunded)	
	For the year ended 31/03/2021	For the year ended 31/03/2020	For the year ended 31/03/2021	For the year ended 31/03/2020
Changes in Defined Benefit Obligations:				
Present value of defined benefit obligation at the beginning of the year	264.63	238.97	25.96	23.78
Current service cost	24.29	23.87	2.84	2.52
Interest cost	18.10	16.61	0.61	0.65
Re-measurements (gains)/losses	(12.33)	(4.19)	(1.87)	(0.51)
Benefits paid	(8.50)	(10.63)	(5.71)	(2.63)
Foreign currency translation	-	-	(0.63)	2.15
Present Value of Defined Benefit Obligation at the end of the year	**286.19**	**264.63**	**21.20**	**25.96**
Change in Plan Assets:				
Fair value of plan assets at the beginning of the year	264.36	238.81	-	-
Expected Return on Plan Assets	18.51	16.60	-	-
Re-measurements gains/(losses)	(1.19)	2.19	-	-
Contribution by employer	12.45	17.39	5.71	2.63
Benefits paid	(8.50)	(10.63)	(5.71)	(2.63)
Fair Value of Plan Assets at the end of the year	**285.63**	**264.36**	**-**	**-**
Expenses Recognised in the Statement of Profit and Loss				
Current service cost	24.29	23.87	2.84	2.52
Interest cost	18.10	16.61	0.61	0.65
Expected return on plan assets	(18.51)	(16.60)	-	-
Expenses Recognised in the Statement of Profit and Loss	**23.88**	**23.88**	**3.45**	**3.17**
Expenses recognised in Other Comprehensive Income (OCI)				
Return on plan assets (excluding amount included in net Interest expense)	1.19	(2.19)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	NA	NA	NA	NA
Actuarial (gains)/losses arising from changes in financial assumptions	4.90	7.90	(5.05)	2.89
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(17.23)	(12.09)	3.18	(3.40)
Total recognised in Other Comprehensive Income	**(11.14)**	**(6.38)**	**(1.87)**	**(0.51)**
Total recognised in Total Comprehensive Income	**12.74**	**17.50**	**1.58**	**2.66**

Notes Forming Part of Consolidated Financial Statements

40. EMPLOYEE BENEFITS: (REFER NOTE 32) (contd.)

₹ in Crore

Particulars	Gratuity (Funded)		End of Service Benefit (Unfunded)	
	For the year ended 31/03/2021	For the year ended 31/03/2020	For the year ended 31/03/2021	For the year ended 31/03/2020
Amount recognised in the Balance Sheet consists of				
Present Value of Defined Benefit Obligation	286.19	264.63	21.20	25.96
Fair Value of Plan Assets	285.63	264.36	-	-
Net Liability	0.56	0.27	21.20	25.96
The Major Categories of Plan Assets as a % of Total Plan				
Qualifying Insurance Policy	100%	100%	NA	NA

The Principal actuarial assumption used:

Particulars	Gratuity (Funded)		End of Service Benefit (Unfunded)	
	For the year ended 31/03/2021	For the year ended 31/03/2020	For the year ended 31/03/2021	For the year ended 31/03/2020
Discount rate	6.50 % per annum	6.95 % per annum	3.00 % per annum	2.67 % per annum
Salary Growth Rate	12.15 % per annum	12.46 % per annum	2.00 % per annum	3.75 % per annum
Mortality rate	IALM 2006-08 Ult.	IALM 2012-14 Ult.	IALM 2012-14	IALM 2012-14
Expected rate of return	6.50% per annum	7.50% per annum	NA	NA
Withdrawal rate (Per Annum)	3.00% p.a. (18 to 30 Years)	3.00% p.a. (18 to 30 Years)	2.00% p.a. (18 to 30 Years)	2.00% p.a. (18 to 30 Years)
Withdrawal rate (Per Annum)	2.00% p.a. (31 to 44 Years)	2.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)	5.00% p.a. (31 to 44 Years)
Withdrawal rate (Per Annum)	1.00% p.a. (45 to 60 Years)	1.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)	3.00% p.a. (45 to 60 Years)

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Accordingly, planned liabilities are typically exposed to actuarial risks such as interest rate risk, longevity risk and salary risk.

The Gratuity scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India. The gratuity plan is not exposed to any significant investment risk in view of absolute track record, investment as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Sensitivity Analysis for significant assumptions as on March 31, 2021 are as follows:

Gratuity (Funded)

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation- Funded	(29.41)	34.92	32.71	(28.28)	(10.63)	12.18

End of Service Benefit (Unfunded)

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation- Unfunded	(1.67)	1.74	1.95	(1.86)	0.07	(0.08)

Notes Forming Part of Consolidated Financial Statements

40. EMPLOYEE BENEFITS: (REFER NOTE 32) (contd.)

Sensitivity Analysis for significant assumptions as on March 31, 2020 are as follows:

Gratuity (Funded)

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation	(28.90)	34.47	32.32	(27.82)	(9.91)	11.42

End of Service Benefit (Unfunded)

₹ in Crore

Assumptions	Discount rate		Future Salary		Withdrawal Rate	
Sensitivity Level	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**	**1.0% Increase**	**1.0% Decrease**
Impact on Defined Benefit Obligation- Unfunded	(2.49)	2.96	2.89	(2.48)	(0.21)	0.24

The Company expects to contribute ₹ 21.68 crore (Previous year ₹ 12.75 crore) to gratuity fund in next year.

The weighted average duration of the defined benefit obligation are as follows:

- Gratuity - as at March 31, 2021 is 8 years (as at March 31, 2020: 10 years).
- End of Service Benefit- as at March 31, 2021 is 9 years (as at March 31, 2020: 10 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted):

₹ in Crore

Particulars	Gratuity (Funded)	End of Service Benefit (Unfunded)
April 1, 2021 to March 31, 2022	7.47	1.10
April 1, 2022 to March 31, 2023	17.26	0.40
April 1, 2023 to March 31, 2024	19.26	0.72
April 1, 2024 to March 31, 2025	18.04	0.48
April 1, 2025 to March 31, 2026	13.12	2.25
April 1, 2026 Onwards	607.64	39.20

(c) Provident fund managed by a trust set up by the Company:

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below, there is no short fall as at March 31, 2021.

The details of the plan assets and obligations position are as follows:

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Plan assets at year end, at fair value	100.16	81.85
Present value of defined obligation at year end	100.04	80.72
Liability recognised in the Balance Sheet	-	-

Notes Forming Part of Consolidated Financial Statements

40. EMPLOYEE BENEFITS: (REFER NOTE 32) (contd.)

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Discount Rate	6.50%	6.00%
Expected Guaranteed Interest Rate	8.50%	8.50%
Expected Rate of Return on Assets	8.35%	8.50%

(d) Amount recognised as an expense in respect of leave encashment and compensated absences are ₹ 23.03 crore (₹ 25.20 crore for year ended March 31, 2020).

41. PROVISION FOR MINES RECLAMATION EXPENSES

₹ in Crore

Particulars	2020-2021	2019-2020
Opening Balance	**7.71**	**7.23**
Add: Provision made during the year (Refer Note 35)	0.61	0.62
Add: Unwinding of Discount of Provision (Refer Note 34)	0.58	0.54
Less: Utilised during the year	0.71	0.68
Closing Balance	**8.19**	**7.71**

42. SEGMENT REPORTING

The Company is primarily engaged in the manufacture and sale of cement and cement related products. There is no separate reportable segment as per Ind AS 108, 'Operating Segments'.

Geographical information are given below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Revenue from Operations		
Within India	12,632.11	11,907.42
Outside India	844.22	960.97
Total	**13,476.33**	**12,868.39**
Non- Current Assets		
Within India	5,638.58	5,697.49
Outside India	1,965.59	2,012.40
Total	**7,604.17**	**7,709.89**

There are no revenues from transactions with a single external customer amounting to 10% or more of the Company's total revenue during the current and previous year.

Notes Forming Part of Consolidated Financial Statements

43. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

Relationships:

(a) Subsidiary Company

(i) Shree Cement East Bengal Foundation (Refer Note 10.4)

(b) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions during the year:

(i) The Kamla Company Limited
(ii) Shree Capital Services Ltd.
(iii) Aqua Infra Project Limited
(iv) Alfa Buildhome Pvt. Ltd.
(v) Rajasthan Forum
(vi) The Bengal
(vii) Sant Parmanand Hospital
(viii) Mannakrishna Investments Private Limited
(ix) Karamyog Properties Private Limited

(c) Key Management Personnel:

(i)	Shri H.M. Bangur	Managing Director
(ii)	Shri Prashant Bangur	Joint Managing Director
(iii)	Shri P.N. Chhangani	Whole Time Director

(d) Relatives to Key Management Personnel:

(i) Shri B.G. Bangur Father of Shri H.M. Bangur

(e) Post-Employment Benefit Plan Trust:

(i) Shree Cement Staff Provident Fund
(ii) Shree Cement Employees Group Gratuity Scheme
(iii) Shree Cement Ltd., Superannuation Scheme

Disclosure of Related Party Transactions:

(a) Details of transactions with related parties:

₹ in Crore

Particulars	2020-2021	2019-2020
Equity Contribution		
- Subsidiary Company	0.03	-
Sale of Goods/Material		
- Entities controlled/ influenced by KMP	-	0.03
- Subsidiary Company	0.01	-
Sale of Land		
- Entities controlled/ influenced by KMP	0.05	-
Purchase of Goods/Material		
-Entities controlled/ influenced by KMP (₹ 7,300 for the year ended March 31, 2021)	-	-
Services Received		
- Entities controlled/ influenced by KMP	0.80	0.93
- Subsidiary Company	26.85	-

Notes Forming Part of Consolidated Financial Statements

43. RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (contd.)

₹ in Crore

Particulars	2020-2021	2019-2020
Payment of Office Rent		
- Entities controlled/ influenced by KMP	2.69	2.77
Interest Income on Loan		
- Subsidiary Company	0.20	-
Contributions towards Social Activities		
- Entities controlled/ influenced by KMP	3.45	1.84
Loan Given		
- Subsidiary Company	16.75	-

(b) Details of balances with related parties

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Security deposit receivable		
- Entities controlled/ influenced by KMP	0.63	0.63
Loan Receivable		
- Subsidiary Company	16.75	-
Interest Receivable		
- Subsidiary Company	0.20	-

(c) Key Management Personnel:

₹ in Crore

Particulars	2020-2021	2019-2020
Short Term Benefits	71.90	62.76
Post - Employment Benefits*	4.48	4.14
Total	**76.38**	**66.90**

*As the liability for gratuity are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key management personnel are not included above.

(d) Relatives to Key Management Personnel:

₹ in Crore

Particulars	2020-2021	2019-2020
Director Commission, Sitting Fee and Reimbursement of Expenses	0.03	0.37

(e) Information on transactions with post-employment benefit plans:

₹ in Crore

Particulars	2020-2021	2019-2020
Contribution (including related insurance premium) paid/payable	27.05	30.90

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Company has not recorded any loss allowances for receivables relating to related parties.

Notes Forming Part of Consolidated Financial Statements

44. Disclosure of Loans & Advances given to subsidiaries in terms of Section 186 of the Companies Act, 2013 and Regulations 34(3) and 53 (f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

Name of the Subsidiary Company	Amount outstanding as at		Maximum Balance outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Shree Cement East Bengal Foundation (for meeting its working capital requirements*)	16.75	-	16.75	-	-	-

*Unsecured Loan repayable on demand at interest rate of 9% per annum.

45. EFFECTIVE TAX RECONCILIATION

Numerical reconciliation of tax expenses applicable to profit before tax at the latest statutory enacted rate in India to income tax expense reported is as follows:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Profit Before Tax	3,004.08	1,934.26
Applicable Statutory Enacted Income Tax Rate	34.944%	34.944%
Computed Tax Expense	1,049.75	675.91
Increase/(Reduction) in Taxes on Account of		
Additional Allowances for Tax Purpose	(2.11)	(2.08)
Items (Net) not Deductible for Tax/not Liable to Tax	(321.44)	(278.27)
Tax losses UnUtilised / Items Taxed at Different Rate	(55.15)	(4.83)
Tax Expense Relating to Earlier Years (Net)	(10.27)	(5.33)
Others	53.71	4.80
Income Tax Expense Reported	**714.49**	**390.20**

46. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non- cash changes as per Ind AS 7- Statement of Cash flows are shown below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Opening Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	**3,113.15**	**2,778.19**
Changes from Financing cash flows due to proceeds from /repayment of borrowings	(899.45)	162.01
The effect of changes in foreign exchange rates	(102.21)	177.91
Reclassification of opening lease liabilities to Other Financial Liabilities on adoption of Ind AS 116- Leases	-	(7.02)
Amortisation of transaction cost on borrowings	2.21	2.06
Closing Balance of Borrowings (Long term including current maturities and Short Term) excluding Bank Overdraft	**2,113.70**	**3,113.15**

Notes Forming Part of Consolidated Financial Statements

47. CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended March 31, 2021 compare to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported period.

The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity (net of deferred tax assets and deferred tax liabilities) and debt comprises of long term borrowings including current maturities of these borrowings.

The following table summarises long term debt and equity of the Company:

₹ in Crore

Particulars	As at 31/03/2021	As at 31/03/2020
Equity Share Capital	36.08	36.08
Other Equity (net of Deferred tax Assets and Deferred Tax Liabilities)	14,575.25	12,389.74
Total Equity	**14,611.33**	**12,425.82**
Long Term Debt (Including Current Maturities)	1,625.15	2,435.45
Debt to Equity Ratio	**0.11**	**0.20**

48. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

₹ in Crore

Particulars	As at 31/03/2021		As at 31/03/2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Classified at Fair Value Through Profit or Loss				
Investments in Mutual Funds, Preference Shares, Perpetual Bonds, Exchange Traded Funds and STRIPS issued by Govt. of India	4,612.96	4,612.96	4,058.94	4,058.94
Derivatives not Designated as Hedges				
Forward Contracts	-*	-*	0.50	0.50
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	60.18	60.18	230.37	230.37
Forward Contracts	0.85	0.85	11.28	11.28
Financial Assets Classified at Amortised Cost				
Investments in Bonds and Debentures	3,887.54	4,076.43	2,298.66	2,383.02
Loans	87.37	87.37	61.83	61.83
Trade Receivables	685.90	685.90	1,080.45	1,080.45
Cash and Cash Equivalents and Other Bank Balances	708.35	708.35	614.21	614.21
Other Financial Assets	171.24	173.11	129.24	131.29
Total Financial Assets	**10,214.39**	**10,405.15**	**8,485.48**	**8,571.89**
Financial Liabilities Classified at Fair Value Through Profit or Loss				
Derivatives not Designated as Hedges				
Forward Contracts	1.84	1.84	0.01	0.01

Notes Forming Part of Consolidated Financial Statements

48. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

₹ in Crore

Particulars	As at 31/03/2021 Carrying Value	As at 31/03/2021 Fair Value	As at 31/03/2020 Carrying Value	As at 31/03/2020 Fair Value
Derivatives Designated as Hedges				
Cross Currency and Interest Rate Swaps	87.62	87.62	161.83	161.83
Forward Contracts	1.19	1.19	-	-
Financial Liabilities Classified at Amortised Cost				
Non-Current Borrowings at Floating Rate	902.77	902.77	1,170.66	1,170.66
Non-Current Borrowings at Fixed Rate	428.78	438.28	468.04	466.47
Current Maturities of Long Term Debt	293.60	293.60	796.75	796.75
Current Maturities of Lease Liabilities	12.08	12.08	14.52	14.52
Short Term Borrowings	508.70	508.70	710.22	710.22
Trade Payables	882.97	882.97	657.65	657.65
Other Financial Liabilities	1,421.90	1,421.90	1,397.91	1,397.91
Total Financial Liabilities	**4,541.45**	**4,550.95**	**5,377.59**	**5,376.02**

*₹ 6,778

Fair Value Techniques:
The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short term deposits, trade receivables, trade payables, current loans, other current financial assets, short term borrowings and other current financial liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

b) Long term fixed rate and variable rate receivables / borrowings are evaluated by the Company based on parameters such as interest rate, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowings, fair value is determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non- performance for the Company is considered to be insignificant in valuation.

c) The fair value of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity and market parameters such as interest rates, foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivatives counterparties and believe them to be insignificant and not warranting a credit adjustment.

d) The fair values of mutual funds are at published Net Asset Value (NAV).

Notes Forming Part of Consolidated Financial Statements

48. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Fair Value Hierarchy
Quoted prices / published Net Asset Value (NAV) in an active markets (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities and financial instruments like mutual funds for which NAV is published by mutual funds. This category consists mutual fund investments, Exchange Traded Funds and STRIPS issued by Govt. of India.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (i.e., unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial asset and liabilities grouped into Level 1 to Level 3 as described below:

Assets and Liabilities Measured at Fair Value (Accounted)

₹ in Crore

Particulars	As at 31/03/2021 Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	3,774.19	-	-	3,774.19
Preference Shares	-	93.83	-	93.83
Exchange Traded Fund	647.71	-	-	647.71
STRIPS issued by Govt. of India	97.23	-	-	97.23
Derivatives not Designated as Hedges	-	-*	-	-*
Derivatives Designated as Hedges	-	61.03	-	61.03
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	1.84	-	1.84
Derivatives Designated as Hedges	-	88.81	-	88.81

*₹ 6,778

₹ in Crore

Particulars	As at 31/03/2020 Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value				
Investments				
Mutual funds	3,382.16	-	-	3,382.16
Preference Shares	-	150.79	-	150.79
Perpetual Bonds	-	398.05	-	398.05
Exchange Traded Fund	127.94	-	-	127.94
Derivatives not Designated as Hedges	-	0.50	-	0.50
Derivatives Designated as Hedges	-	241.65	-	241.65
Financial Liabilities Measured at Fair Value				
Derivatives not Designated as Hedges	-	0.01	-	0.01
Derivatives Designated as Hedges	-	161.83	-	161.83

Notes Forming Part of Consolidated Financial Statements

48. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Fair Value of Assets and Liabilities Classified at Amortised Cost (only disclosed)

₹ in Crore

Particulars	As at 31/03/2021 Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	4,076.43	-	4,076.43
Loans	-	87.37	-	87.37
Other Financial Assets	-	173.11	-	173.11
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	438.28	-	438.28
Other Financial Liabilities	-	1,421.90	-	1,421.90

₹ in Crore

Particulars	As at 31/03/2020 Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Bonds and Debentures	-	2,383.02	-	2,383.02
Loans	-	61.83	-	61.83
Other Financial Assets	-	131.29	-	131.29
Financial Liabilities				
Non-Current Borrowings at Fixed Rate	-	466.47	-	466.47
Other Financial Liabilities	-	1,397.91	-	1,397.91

During the year ended March 31, 2021 and March 31, 2020, there were no transfers between Level 1 and level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as at March 31, 2021 and March 31, 2020, respectively:

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Assets				
Investments in Preference Shares and Perpetual Bonds	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows	-
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments –Both Designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Notes Forming Part of Consolidated Financial Statements

48. DISCLOSURE RELATED TO FAIR VALUE OF FINANCIAL INSTRUMENTS (contd.)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used	Quantitative Information about Significant Unobservable Inputs
Financial Liabilities				
Derivative Financial Instruments -Designated as Hedging Instrument				
Cross Currency and Interest Rate Swaps	Level 2	Market valuation techniques	Prevailing/forward foreign currency exchange & interest rates in market to discount future cash flows	-
Derivative Financial Instruments –Both Designated and not Designated as Hedging Instrument				
Forward Contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows	-

Fair Value of Assets and Liabilities classified at Amortised Cost (only disclosed)

Particulars	Fair Value Hierarchy	Valuation Techniques	Inputs Used
Financial Assets			
Investments in Bonds and Debentures	Level 2	Market valuation techniques	Prevailing yield to discount future cash flows
Other Financial Assets – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial Liabilities			
Non-Current Borrowings at Fixed Rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market to discount future payouts
Other Financial Liabilities – Non Current	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

49. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivative, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arrive directly from its operations. The Company also holds fair value through profit or loss investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit and Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Notes Forming Part of Consolidated Financial Statements

49. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

Market risk and sensitivity
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and liabilities held as at March 31, 2021 and March 31, 2020.

The sensitivity analysis excludes the impact of movement in market variables on the carrying value of post-employment benefit obligations, provisions and on non- financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market rates. The Company's activities exposes it to a variety of financial risk including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and cross currency and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuation and interest rates.

Interest rate risk and sensitivity
The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations with floating interest rates.

The Company's policy is to manage its floating interest rate on foreign currency loans and borrowings by entering into interest rate swaps, in which the Company agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon principal amount. Hence, the Company is not exposed for any interest rate risk due to floating interest rate as on March 31, 2021 and March 31, 2020.

Foreign currency risk and sensitivity
The Company has obtained foreign currency loans and has foreign currency payables for supply of fuel, raw material and equipment and is therefore, exposed to foreign exchange risk. The Company uses cross currency swaps and foreign currency forward contracts to eliminate the currency exposures.

The impact on profit before tax is due to change in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

The following tables demonstrates the sensitivity in the USD, JPY, EURO and GBP to the Indian Rupee with all other variable held constant.

For the Year ended March 31, 2021

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	(0.81)	0.24	2.18	0.04
-5%	0.81	(0.24)	(2.18)	(0.04)

For the Year ended March 31, 2020

Particulars	Effect on Profit Before Tax (₹ in crore)			
	USD	JPY	EURO	GBP
Change in Currency Exchange Rate				
+5%	0.08	-*	0.27	0.01
-5%	(0.08)	-*	(0.27)	(0.01)

*** ₹ 4,105**

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Credit risk
Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks, mutual funds and other financial instruments.

Trade receivables
The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdiction and industries and operate in largely independent markets. The Company has also taken advances, security deposits, bank guarantee, letter of credits and security cheques from its customers which mitigate the credit risk to an extent.

The ageing of trade receivables are as below:

₹ in Crore

Particulars	Neither Due nor Impaired	Past Due			Total
		Up to 6 months	6 to 12 months	Above 12 months	
Trade Receivables					
As at March 31, 2021					
Secured	382.38	67.30	2.67	1.68	454.03
Unsecured	138.61	25.98	1.62	99.03	265.24
Gross Total	**520.99**	**93.28**	**4.29**	**100.71**	**719.27**
Allowance for doubtful trade receivables					33.37
Net Total					**685.90**
As at March 31, 2020					
Secured	365.58	117.74	3.43	1.18	487.93
Unsecured	195.71	242.35	133.70	33.92	605.68
Gross Total	**561.29**	**360.09**	**137.13**	**35.10**	**1,093.61**
Allowance for doubtful trade receivables					13.16
Net Total					**1,080.45**

Notes Forming Part of Consolidated Financial Statements

49. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

Movement in Allowance for Doubtful Trade Receivables are given below:

₹ in Crore

Particulars	2020-2021	2019-2020
Opening Balance	**13.16**	**8.06**
Add: Effect of exchange rate on consolidation of Foreign Subsidiaries	(0.44)	0.75
Add: Provision made during the year (Refer note 35)	20.65	4.35
Less: Utilised during the year	-	-
Closing Balance	**33.37**	**13.16**

Financial Instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Investments of surplus funds are made only with approved counterparties. The maximum exposure to credit risk for the components of the balance sheet is ₹ 10,214.39 crore as at March 31, 2021 and ₹ 8,485.48 crore as at March 31, 2020, which is the carrying amounts of cash and cash equivalents, other bank balances, investments, trade receivables, loans and other financial assets.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (i.e. trade receivables, other financial assets) and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, letter of credit facility, bank loans and credit purchases.

The table below provides undiscounted cash flows (excluding transaction cost on borrowings) towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date:

As at March 31, 2021

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	803.23	1,335.34	-	2,138.57
Lease Liabilities	13.53	31.09	173.86	218.48
Trade Payables	882.97	-	-	882.97
Derivative Financial Instruments	18.68	71.97	-	90.65
Other Financial Liabilities	493.38	844.57	-	1,337.95
Total	**2,211.79**	**2,282.97**	**173.86**	**4,668.62**

As at March 31, 2020

₹ in Crore

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest Bearing Loans and Borrowings (Including Current Maturities)	1,507.71	1,644.90	-	3,152.61
Lease Liabilities	16.14	39.30	182.56	238.00
Trade Payables	657.65	-	-	657.65
Derivative Financial Instruments	16.91	144.93	-	161.84
Other Financial Liabilities	526.50	779.02	-	1,305.52
Total	**2,724.91**	**2,608.15**	**182.56**	**5,515.62**

Notes Forming Part of Consolidated Financial Statements

50. DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative financial instrument outstanding as on the balance sheet date are as follows:

(Amount in Crore)

Particulars	Purpose	Currency	As at 31/03/2021	As at 31/03/2020
Forward Contracts	Imports	USD	4.75	5.83
		JPY	7.05	1.38
		EURO	0.49	0.07
		GBP	0.01	0.00*
Cross Currency & Interest Rate Swaps	ECB	USD	-	8.00
	ECB	SGD	8.83	9.81
Interest Rate Swaps	ECB	USD	15.61	17.50
Cross currency swaps	ECB	USD	22.36	25.00

*GBP 23,130

Cash Flow Hedges

The objective of cross currency & interest rate swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from the forecasted purchases. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and some foreign currency forward contracts based on qualitative approach.

The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Company designates cross currency & interest rate swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1. Refer Note 22 for timing of nominal amount and contractual fixed interest rate of cross currency & interest rate swaps and interest rate swaps.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

The fair values of the above swaps are as under:

₹ in Crore

Particulars	As at 31/03/2021		As at 31/03/2020	
	Asset	Liability	Asset	Liability
Cross Currency and Interest Rate Swaps	60.18	87.62	230.37	161.83
Forward Contracts	0.85	1.19	11.28	-

Notes Forming Part of Consolidated Financial Statements

50. DERIVATIVE FINANCIAL INSTRUMENTS (contd.)

The movement of Effective Portion of Cash Flow Hedges are shown below:

₹ in Crore

Particulars	For the year ended 31/03/2021	For the year ended 31/03/2020
Opening Balance	**(29.65)**	**(36.47)**
Gain/(loss) recognised on cash flow hedges	(239.12)	67.38
Income tax relating to gain/(loss) recognised on cash flow hedges	80.35	(23.55)
Reclassified to Statement of Profit and Loss #	219.48	(53.87)
Income tax relating to Reclassified to Statement of Profit and Loss	(74.32)	18.83
Amount transferred to initial cost of non-financial asset	12.00	(3.02)
Income tax relating to amount transferred to initial cost of non-financial asset	(4.07)	1.05
Closing Balance	**(35.33)**	**(29.65)**

Includes ₹ 101.78 crore [Previous year: ₹ (178.39) crore] to Foreign Exchange Rate Differences and ₹ 117.70 crore (Previous year: ₹ 124.52 crore) to Finance Cost.

Foreign Currency Forward Contracts

The Company enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases.

Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

The fair value of foreign currency forward contracts are as under:

₹ in Crore

Particulars	As at 31/03/2021		As at 31/03/2020	
	Asset	Liability	Asset	Liability
Foreign Currency Forward Contracts	-*	1.84	0.50	0.01

*₹ 6,778

The gain/ (loss) due to fluctuation in foreign currency exchange rates on derivative contract, recognised in the Statement of Profit and Loss is ₹ (0.51) crore for the year ended March 31, 2021 (₹ 1.38 crore for the year ended March 31, 2020).

51. COLLATERALS

Inventory, Trade Receivables, Other Current Assets, Property, Plant and Equipment are hypothecated / mortgaged as collateral/security against the borrowings. Refer Note 22 and 26. Additionally, some of the Fixed Deposits and Investments are pledged against working capital facilities.

52. EARNINGS PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2020-2021	2019-2020
Profit or Loss attributable to the Owners of the Company	₹ in crore	2,285.87	1,535.85
Equity Share Capital	₹ in crore	36.08	36.08
Weighted average number of equity shares outstanding (Face value of ₹ 10/- per share)	Nos.	3,60,80,748	3,52,78,913
Earnings Per Share – Basic and Diluted	₹	633.54	435.35

B. Cash EPS : (Profit for the year attributable to the Owners of the Company + Depreciation and Amortisation Expense [Net of ₹ 2.40 crore (₹ 2.38 crore for year ended March 31, 2020) of Non-Controlling Interest]+Deferred Tax/ Weighted average number of equity shares outstanding.

Notes Forming Part of Consolidated Financial Statements

53. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Dividend proposed to be distributed:

₹ in Crore

Particulars	As at 31/03/2021 (Note 53.1)	As at 31/03/2020
Dividend Proposed for Equity Shareholders	216.48	-
Total	**216.48**	**-**

Note 53.1 : ₹ 60 per share for FY 2020-21

54. Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures [Form AOC-1-Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)]

Part –A Subsidiaries

₹ in Crore

Sr. No	Name of the Subsidiary Company	Reporting Currency	Share Capital *	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend	% of share holding
1	Shree Global FZE	AED	2,709.54	12.68	2,722.30	0.08	2,359.69	75.45	5.48	-	5.48	-	100%
2	Shree Enterprises Management Ltd.	AED	19.11	(0.29)	19.27	0.45	19.11	-	(0.13)	-	(0.13)	-	100%
3	Shree International Holding Ltd	AED	36.75	2,187.74	2,238.94	14.45	2,238.39	-	(2.73)	-	(2.73)	-	100%
4	Union Cement Company PJSC	AED	1,339.87	589.89	2,196.54	266.78	3.00	856.99	(6.79)	-	(6.79)	-	98.18%
5	Union Cement Norcem Company Limited L.L.C.	AED	5.00	18.04	32.20	9.16	-	84.90	10.62	-	10.62	-	60%
6	Raipur Handling and Infrastructure Private Limited	INR	3.27	53.17	59.13	2.69	-	10.54	8.66	0.71	7.95	-	100%
7	Shree Cement East Bengal Foundation **	INR	0.03										

* including Share Application Money Pending Allotment.

**The Company has made investment of ₹ 0.03 crore in the equity shares of Shree Cement East Bengal Foundation ('SCEBF'), a company licensed under section 8 of the Companies Act, 2013. SCEBF is prohibited to distribute any dividend / economic benefits to its members, hence the Company is unable to earn any variable return/ economic benefits from the voting rights through its holding in equity shares of SCEBF. Therefore, the above investment does not meet the definition of control under Ind AS 110 -'Consolidated Financial Statements' and hence, not consolidated in the Consolidated Financial Statements.

Note - For converting the figures given in foreign currency appearing in the accounts of the subsidiary company into equivalent INR, following exchange rates are used.

Currency	Balance Sheet (Closing rate)
Arab Emirates Dirham (AED)- Indian Rupee	20.0149

Part B of the Form AOC-I is not applicable as there are no associate companies/Joint Ventures of the Company as on March 31, 2021.

Notes Forming Part of Consolidated Financial Statements

55. Additional information, as required under Schedule III of the Companies Act, 2013 of Enterprises consolidated as Subsidiary/Associates/Joint Ventures

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹ in Crore	As % of Consolidated Profit or (Loss)	₹ in Crore	As % of Consolidated Other Comprehensive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
Parent								
Shree Cement Limited	98.71%	15,250.07	100.98%	2,311.93	(8.65)%	(6.21)	103.99%	2,305.72
Subsidiaries - Indian								
Raipur Handling and Infrastructure Private Limited	0.37%	56.44	0.35%	7.95	-	-	0.36%	7.95
Subsidiaries - Foreign								
Shree Global FZE	17.64%	2,722.22	0.24%	5.48	-	-	0.25%	5.48
Shree Enterprises Management Ltd.	0.12%	18.82	(0.01)%	(0.13)	-	-	(0.01)%	(0.13)
Shree International Holding Ltd.	14.41%	2,224.49	(0.12)%	(2.73)	-	-	(0.12)%	(2.73)
Union Cement Company PJSC	12.50%	1,929.76	(0.30)%	(6.79)	2.61%	1.87	(0.22)%	(4.92)
Union Cement Norcem Company Limited L.L.C.	0.15%	23.04	0.47%	10.62	-	-	0.48%	10.62
Non- Controlling Interests in all Subsidiaries	0.33%	51.16	0.16%	3.72	(1.98)%	(1.42)	0.10%	2.30
Adjustment due to consolidation	(44.23)%	(6,827.43)	(1.77%)	(40.46)	(91.98)%	(65.96)	(4.83)%	(106.42)
TOTAL	**100.00%**	**15,448.57**	**100.00%**	**2,289.59**	**(100.00)%**	**(71.72)**	**100.00%**	**2,217.87**

56. Information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in Crore

Sr. No	Particulars	As at 31/03/2021	As at 31/03/2020
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	4.08	2.18
	(ii) The interest due on above	-	-
	The total of (i) & (ii)	4.08	2.18
(b)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes Forming Part of Consolidated Financial Statements

57. Previous year figures have been regrouped and rearranged wherever necessary.

58. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2021. Looking to the present situation of pandemic, the extent to which the same will impact Company's future financial results is currently uncertain and will depend on further developments. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

59. Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest crore.

Signature to Note 1 to 59

As per our report of even date

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

Mukesh Dua
Partner
Membership No. 085323
Place : New Delhi

Date : May 21, 2021

For and on behalf of the Board

B. G. Bangur
Chairman
DIN: 00244196
Place : Dubai

O. P. Setia
Independent Director
DIN: 00244443
Place: New Delhi

Dr. Y. K. Alagh
Independent Director
DIN: 00244686
Place: Ahmedabad

H. M. Bangur
Managing Director
DIN: 00244329
Place : Dubai

R. L. Gaggar
Independent Director
DIN: 00066068
Place : Kolkata

Nitin Desai
Independent Director
DIN: 02895410
Place: New Delhi

S S Khandelwal
Company Secretary
Place: Beawar

Prashant Bangur
Joint Managing Director
DIN: 00403621
Place : Dubai

Shreekant Somany
Independent Director
DIN: 00021423
Place: Rishikesh

Sanjiv Krishnaji Shelgikar
Independent Director
DIN: 00094311
Place: Mumbai

Subhash Jajoo
Chief Finance Officer
Place : Kolkata

P. N. Chhangani
Whole Time Director
DIN: 08189579
Place: Ras, Distt. Pali (Raj.)

Uma Ghurka
Independent Director
DIN: 00351117
Place: Hyderabad

Ratio Analysis

Financial Performance Ratios

	2016-17	2017-18	2018-19	2019-20	2020-21
Raw Material Cost / Net Turnover (%)	10.71	10.20	10.02	8.73	8.91
Power & Fuel Cost / Net Turnover (%)	16.80	20.13	23.42	19.72	16.15
Freight / Net Turnover (%)	21.81	25.68	24.43	21.89	24.13
Manpower & Admin Cost / Net Turnover (%)	9.92	8.72	9.60	8.66	8.85
Finance Cost / Net Turnover (%)	1.51	1.38	2.11	2.41	1.96
Depreciation / Net Turnover (%)	14.13	9.15	11.87	14.28	9.06
Tax / Profit Before Tax (%)	12.52	24.24	10.35	19.90	23.59
Net Profit Margin (%)	15.58	14.08	8.11	13.19	18.37
Cash Profit / Net Turnover (%)	28.15	23.19	20.76	26.33	27.10
ROCE [PBIT / Avg. Capital Employed] (%)	17.85	16.83	9.82	14.62	18.51
Return on Net Worth (%)	16.75	16.47	9.61	11.77	15.71
Net Turnover / Average Capital Employed (%)	92.40	84.33	86.62	77.47	71.20
EBIDTA (With Other Income) / Net Turnover (%)	33.45	29.10	24.72	33.15	35.05
EBIDTA (Without Other Income) / Net Turnover (%)	29.24	25.15	22.63	30.87	31.42
Earnings Per Share (₹)	384.39	397.33	273.00	445.08	640.77
Cash Earning Per Share (₹)	694.45	654.47	698.54	888.58	945.68

Balance Sheet Ratios

	2016-17	2017-18	2018-19	2019-20	2020-21
Debt Equity Ratio (Times)	0.07	0.26	0.26	0.20	0.11
Debtors Turnover (Days)	14.23	17.05	22.81	25.40	14.09
Inventory Turnover (Days)	55.83	58.24	49.48	43.78	42.83
Current Ratio (Times)	1.65	1.92	2.01	1.79	2.05
Quick Ratio (Times)	0.99	1.39	1.21	1.42	1.63
Interest Coverage Ratio (Times)	22.21	21.16	11.73	13.77	17.86
Book Value Per Share (₹)	2,209.75	2,553.83	2,754.92	3,585.41	4,226.65

Corporate Information

Board of Directors

Shri B.G. Bangur
Chairman

Shri H.M. Bangur
Managing Director

Shri Prashant Bangur
Joint Managing Director

Shri P.N. Chhangani
Whole Time Director

Shri R.L. Gaggar
Independent Director

Shri O.P. Setia
Independent Director

Shri Shreekant Somany
Independent Director

Dr. Y.K. Alagh
Independent Director

Shri Nitin Desai
Independent Director

Ms. Uma Ghurka
Independent Director

Shri Sanjiv Krishnaji Shelgikar
Independent Director

Senior Executives

Shri Diwakar Payal
President (Marketing)

Shri Sanjay Mehta
President (Commercial) and Chief Happiness Officer

Shri Sumit Rajender Pal Malhotra
Joint President (Marketing)

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

Shri Shrinath Savoor
Joint President (Strategy)

Shri Arvind Khicha
Joint President (Commercial)

Shri M.M. Rathi
Senior Vice President (Power Plants)

Shri Vinay Saxena
Senior Vice President (Operations)

Shri R. K. Agarwal
Senior Vice President (Projects)

Shri Narip Bajwa
Senior Vice President (Marketing)

Shri Himanshu Dewan
Senior Vice President (Marketing)

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

Shri R.N. Dani
Vice President (Costing & MIS)

Shri Sanjay Jain
Vice President (Operations)

Shri Satish Chander
Vice President (Operations)

Shri A.K. Gupta
Vice President (Project - Civil)

Shri P.K. Bhardwaj
Vice President (P&A)

Shri Sanjay Singh
Vice President (Marketing)

Shri Sanjay Kumar Sharma
Vice President (P&A)

Shri S.K. Gupta
Vice President (Project Accounts)

Shri Yogesh Mehta
Vice President (Logistics)

Shri Kapil Chadha
Advisor (Logistics)

Shri K.K. Talwar
Joint Vice President (Marketing)

Shri Anil Kaushik
Joint Vice President (Marketing)

Shri Arun Kumar Sinha
Joint Vice President (Marketing)

Shri K.L. Mahajan
Joint Vice President (Operations)

Shri Rajesh Kumar Vijay
Joint Vice President (Operations)

Shri Rajesh Sharma
Joint Vice President (Commercial)

Shri Sarbeswar Mohanty
Chief Information and Liaison Officer (Operations)

Shri Manoranjan Kumar
Chief Information Officer (IT & ERP)

Company Secretary
Shri S.S. Khandelwal

Chief Finance Officer
Shri Subhash Jajoo

Bankers
Axis Bank Ltd.
HDFC Bank Ltd.
State Bank of India
ICICI Bank Ltd.
J P Morgan Chase Bank N.A.
MUFG Bank, Ltd.
Standard Chartered Bank
DBS Bank India Ltd.
BNP Paribas
Sumitomo Mitsui Banking Corporation
HSBC Bank

Statutory Auditors
M/s. Gupta & Dua, New Delhi

Secretarial Auditors
M/s. Pinchaa & Co., Jaipur

Cost Auditors
M/s. K.G. Goyal & Associates, Jaipur

Internal Auditors
M/s. P.K. Ajmera & Co., Ahmedabad

Registered Office
Bangur Nagar, Beawar-305 901,
Distt. Ajmer, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117/19
Toll free no.: 1800 180 6003-04
website: www.shreecement.com
email: sclbwr@shreecement.com

Corporate Office
21, Strand Road, Kolkata-700 001
Phone: +91-33-22309601-05
Fax: +91-33-22434226
email: sclcal@shreecement.com

Mumbai Office
Unit No. 1110A, 11th Floor,
"C" Wing, One BKC Building,
Plot No. C-66, G-Block, BKC,
Bandra (East), Near MCA Club,
Mumbai – 400051
Phone: +91-22-26523455/57
email: gandhikc@shreecement.com

Company's Plants & Marketing Offices

INTEGRATED CEMENT PLANTS

Beawar:
Bangur Nagar, Beawar – 305 901,
Distt.: Ajmer, Rajasthan (India)
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Email: shreebwr@shreecement.com

Ras:
Bangur City, Ras, Tehsil: Jaitaran-306 107,
Distt.: Pali, Rajasthan (India)
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Email: shreebwr@shreecement.com

Raipur:
Village Khapradih, Tehsil- Simga,
Distt.: Balodabazar, Chhattisgarh (India)
Phone: +91-771-2430007 / 2430023

Kodla:
Village Benkanhalli & Kodla, Post – Kodla,
Taluka Sedam- 585222
Distt.: Kalaburagi, Karnataka (India)

SPLIT GRINDING UNITS

Khushkhera:
Plot No. SP 3-II, A-1,
RIICO Industrial Area,
Khushkhera (Bhiwadi),
Distt.: Alwar, Rajasthan.

Jobner (Jaipur):
Mahela-Jobner Road,
Village: Aslapur,
Distt: Jaipur, Rajasthan.

Suratgarh:
Near N.H. 15, Udaipur Udasar,
Tehsil: Suratgarh,
Distt.: Sriganganagar, Rajasthan.

Laksar (Roorkee):
Akbarpur-Oud,
Distt: Haridwar,
Uttarakhand.

Panipat:
Village – Khukhrarna,
P.O. – Asan Kalan,
Tehsil – Madlouda,
Distt.: Panipat, Haryana.

Aurangabad:
Biada Industrial Growth Centre,
Near Jasoia Mor,
Post: Mojurahi,
Distt.: Aurangabad, Bihar.

Bulandshahr:
12, Sikandrabad Industrial Area,
Sikandrabad,
Distt.: Bulandshahr, Uttar Pradesh.

Saraikela:
PO-Burudih, Hansda,
Distt.: Seraikela - Kharsawan,
Jharkhand.

Cuttack:
Village - Chandrabalishyampur,
Block - Athagarh,
Distt.: Cuttack, Odisha.

CENTRAL MARKETING OFFICES

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122-123, Hans Bhawan
1 Bahadur Shah Zafar Marg,
New Delhi - 110 002
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Bangur Cement & Bangur Power
6B, 6th Floor, Hansalaya Building,
15, Barakhamba Road,
New Delhi - 110 001
Phone: +91-11-23702794

Rockstrong Cement
10-A, DCM Building,
16-Barakhamba Road, Connaught Place,
New Delhi - 110 001
Phone: +91-11-23731084-85

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