Sidhee
CEMENT

47th Annual Report 2020-21

Gujarat Sidhee Cement Limited

Contents

GENERAL INFORMATION

BOARD OF DIRECTORS

Mr. M. N. Mehta
Chairman

Mr. Jay M. Mehta
Executive Vice Chairman

Mrs. Juhi Chawla Mehta
Non-Executive Director

Mr. Hemnabh Khatau
Non-Executive Director

Mr. Venkatesh Mysore
Non-Executive Director

Mr. M. L. Tandon
Non-Executive
Independent Director

Mr. Bimal Thakkar
Non-Executive
Independent Director

Mr. M. N. Rao
Non-Executive
Independent Director

Mr. K. N. Bhandari
Non-Executive
Independent Director

Mrs. Bhagyam Ramani
Non-Executive
Independent Director

Mr. Ashwani Kumar
Non-Executive
Independent Director

Mr. M.N. Sarma
Non-Executive
Independent Director

Dr. Rahul B. Gupta IAS
Non-Executive Director,
Non-Independent
(Nominee of GIIC Limited)

Mr. M. S. Gilotra
Managing Director

CFO AND COMPANY SECRETARY
Mr. V. R. Mohnot

REGISTERED OFFICE & WORKS
Sidheegram, PO - Prashnawada BO,
Tal. Via Sutrapada SO Taluka, Pin Code: 362275,
Dist, Gir Somnath, Gujarat
Tel. 02876 - 268200, Fax: 02876 - 286540
CIN: L26940GJ1973PLC002245

AUDITORS
M/s Bansi S. Mehta & Co
Chartered Accountants

REGISTRAR & TRANSFER AGENT:
M/s Link Intime India Pvt. Ltd.
(Unit: Gujarat Sidhee Cement Limited)
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083
Tel. 022- 49186000,Fax : 022-49186060

CORPORATE OFFICE
N. K. Mehta International House, 2nd Floor,
178, Backbay Reclamation, Mumbai 400 020.
Tel. 022-66365444, Fax : 022-66365445

WEBSITE
www.gujaratsidheecementlimited.com

BANKERS
HDFC Bank Ltd.
State Bank of India

BOARD'S REPORT

To,

The Members,

Your Directors are pleased to present the 47th Board Report along with the Audited Accounts and Auditors Report for the Financial Year ended 31st March, 2021.

FINANCIAL HIGHLIGHTS

The highlights of the financial results for the Financial Year ended 31st March 2021 are given below.

(₹ in Million)

Particulars	Standalone		Consolidated	
	2020-2021	**2019-2020**	**2020-2021**	**2019-2020**
Revenue from Operations (Net of GST) and Other Income	**5,729.80**	5,898.84	**5,744.51**	5923.03
Profit/(Loss) before Interest, Depreciation, Exceptional Items and Tax	**628.21**	826.93	**642.67**	W850.97
Finance Cost	**51.04**	70.09	**50.43**	69.27
Profit/(Loss)before Depreciation, Exceptional Items and Tax	**577.17**	756.84	**592.24**	781.70
Depreciation & Amortisation	**105.64**	107.99	**105.64**	107.99
Profit /(Loss) before Tax	**471.53**	648.85	**486.60**	673.71
Current Tax Expense	**136.04**	115.33	**138.56**	115.92
Deferred Tax Adjustment	**42.59**	109.40	**42.59**	109.40
Profit/(Loss) for the Year	**292.90**	424.12	**305.45**	448.39
Total Other Comprehensive Income (net of tax)	**(2.33)**	(3.33)	**479.12**	(268.99)
Total Comprehensive Income	**290.57**	420.79	**784.57**	179.40
Retained Earnings – Opening Balance	**2,477.13**	2,161.74	**2,797.14**	2457.48
Add/(Less):				
Profit/(Loss) for the Year	**292.90**	424.12	**305.45**	448.39
Remeasurement of Defined Benefit Plan (Net of tax)	**(2.33)**	(3.33)	**(2.33)**	(3.33)
Vested Employee Stock Options Lapsed	**2.70**	-	**2.70**	-
Less: Equity Dividend and Dividend Distribution Tax thereon	**-**	105.40	**-**	105.40
Retained Earnings – Closing Balance	**2,770.40**	2,477.13	**3,102.96**	2,797.14

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report is provided in a separate section and forms a part of this Report as **Annexure A.**

CORPORATE GOVERNANCE

Your Company has complied with all the mandatory provisions under Regulations 17 to 27 and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time relating to Corporate Governance.

Pursuant to Regulation 34(3) and Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance is provided together with a Certificate from a Practicing Company Secretary pertaining to the compliance of regulations of Corporate Governance as stipulated under said SEBI Regulations. Further, a declaration by the Managing Director that the Board and Senior Executives have complied with the Code of Conduct of the Company also forms a part of this Report as **Annexure B.**

MATERIAL CHANGES AND COMMITMENTS

No material change(s) and commitment(s) have occurred between the end of the Financial Year and the date of this Report, which has affected the Financial Statements of the Company with respect to the reporting year.

CORPORATE RESTRUCTURING/ AMALGAMATION

The Board of Directors of the Company at its meeting held on May 19, 2020 decided to amalgamate Villa Trading Company Private Limited (VTCPL), its wholly owned subsidiary, and Bhadra Textiles and Trading Private Limited (BTTPL), its holding company, with the Company with effect from April 1, 2020, being the appointed date. In terms of the Scheme -

i. on amalgamation of VTCPL with the Company, the shares held by the Company in the said subsidiary will be cancelled; and

ii. on amalgamation of BTTPL with the Company, the shares held by the said holding company will be cancelled and equivalent number of new shares of the Company will be issued to the shareholders of BTTPL in proportion to their holding in BTTPL.

The application for amalgamation of VTCPL and BTTPL with the company was finally heard on 14th of June 2021, the order was pronounced on 22nd June 2021 and the same was certified by the Registrar on 28th of June 2021. However, as the order is not yet effective in accordance with section 232(5) of the Companies Act, 2013; the effect of the Scheme has not been considered in the preparation and presentation of the Financial Results/Statements.

PERFORMANCE HIGHLIGHTS

The year under review witnessed an unforeseen crisis in terms of Covid-19 pandemic which disrupted the global as well as the domestic economies as well as human lives. Migration of labour hit the construction activities in the housing as well as infrastructure sectors.

The Company's performance too was adversely affected during FY 2020-21 particularly during the first half of the financial year due to low demand on account of lockdown and restrictions imposed by the government authorities to control the spread of the Covid-19 pandemic.

As the restrictions were relaxed in a phased manner, the government thrust on infrastructure and the rural demand for housing resulted in revival of the construction activities. The cement demand improved from october 2020 with the release of pent up demand and return of migrant labour post diwali. Consequently the Company's sales and performance improved in the second half of the financial year.

During the year under review:

- Clinker production was 1.17 Million tons, 5.4 Per cent lower than the previous year.
- Cement production in FY 2020-21 was 1.15 Million tons, marginally lower than the previous year.
- Total cement and clinker despatches in FY 2020-21 were 1.33 Million tons 1% lower than the previous year.
- Total income for the year 2020-21 was ₹ 5729.80 Million, 2.8 % Lower compared to ₹ 5898.84 Million in the previous year.
- Net profit before tax for the year 2020-21 was ₹ 471.53 Million compared to ₹ 648.85 Million in FY 2019-20.

The profitability for FY 2020-21 was lower due to lower sales volume, lower price realizations, higher freight cost and higher cost of raw material (primarily limestone, gypsum and fly ash).

DIVIDEND

In order to conserve the resources of the Company for the business requirements of the company, the Board of Directors has not recommended any dividend for the financial year March 31, 2021.

FINANCIAL STATEMENTS

The Audited Standalone and Consolidated Financial Statements of the Company which forms a part of this Annual Report have been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with the provisions of the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015.

The Consolidated Net Profit/Loss of the Company is ₹ 305.45 million for the financial year ended 31st of March 2021.

SHARE CAPITAL

Equity Share Capital

The paid-up Equity Share Capital of the Company as on 31st March 2020 excluding the forfeited shares was ₹ 874.78 million and as on 31st March 2021 excluding the forfeited shares was ₹ 882.01 million.

Employee Stock Option Scheme

During the year, 7,76,481 Equity Shares of ₹ 10/- each were allotted to the employees in accordance with Employee Stock Option Scheme 2017.

The disclosure pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given as **Annexure C** to this Report. Independent Auditor's certificate on Employee Stock Option Plan in compliance with Regulations 13 of Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 is enclosed as **Annexure D** to this Report.

Reconciliation of Share Capital Audit Report

Keeping in view the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Stock Exchanges; a Secretarial Audit by the Practicing Company Secretary is carried out on a quarterly basis 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. The said audit confirms that the total issued / paid - up capital / any change in the capital during the quarter tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

POLICY ON RELATED PARTY TRANSACTIONS

Your Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, the said policy was reviewed and revised by the Board of Directors in line with the amendments in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company has ensured that all the transactions entered into with related parties are in accordance with approvals being granted by the Audit Committee, Board and Members at the Annual General Meeting (as applicable). The other details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134 (3) of the Companies Act, 2013 are mentioned in the Corporate Governance Report forms part of the Annual Report.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014 including certain arm's length transactions under third proviso thereto in Form No. AOC -2 is annexed herewith as **Annexure E.**

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 and under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at the end of the Financial Year 2020-21 are provided in the Standalone financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has instituted internal financial control systems which are adequate for the nature of its business and the size of its operations.

The policies and procedures are adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets and protecting against loss from unauthorised use or disposal and commercial transactions are authorised, recorded and reported correctly, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Your Company accords greatest importance to the security of its information assets and has the requisite security controls and checks. Adequate storage and back-up system is maintained to ensure security and availability of data at all times.

The Audit Committee of the Board of Directors approves from time to time the quarterly audit assignments, reviews the progress of audit findings presented by the Internal Auditors and Statutory Auditors on Internal Financial Controls. All significant audit observations and follow up actions thereon are reviewed by the Audit Committee including the adequacy of internal controls systems.

The Audit Committee presents significant audit observations and corrective actions thereon to the Board of your Company.

INSURANCE

All the properties including buildings, plant, machinery and stocks have been adequately insured.

SUBSIDIARY AND ASSOCIATE COMPANIES

Your Company had one material subsidiary company viz, Villa Trading Company Private Limited which got amalgamated with the Company pursuant to the Hon'ble NCLT, Ahmedabad Bench order dated 22nd June 2021.

DIRECTORS

Appointment of Directors

NIL

Reappointment of Director

Mr. Jay Mehta, Executive Vice Chairman was reappointed for a period of 3 (three) years w.e.f. 01.01.2021 to 31.12.2023. The re-appointment of Mr. Jay Mehta was approved by the shareholders at the 46^{th} Annual General Meeting held on 25^{th} September 2020.

Mr. M. S. Gilotra, Managing Director was reappointed for a period of 3 (three) years w.e.f. 01.01.2021 to 31.12.2023. The re-appointment of Mr. Gilotra was approved by the shareholders at the 46^{th} Annual General Meeting held on 25^{th} September 2020.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mrs. Juhi Chawla Mehta (DIN: 00161706), will retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment in accordance with provisions of the Companies Act, 2013.

The brief resume of Director seeking re-appointment at the ensuing AGM along with other details in pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed herewith as **Annexure F** is annexed to the Annual General Meeting Notice.

The Board has confirmed that Mrs. Juhi Chawla Mehta satisfies the fit and proper criteria as prescribed under the applicable regulations and that she is not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013. The Board recommends the re-appointment.

Cessation of Director

NIL

KEY MANAGERIAL PERSONNEL

Appointment / Change in Key Managerial Personnel

During the year under review, there is no appointment / change in Key Managerial personnel pursuant to the provisions of Section 203 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

1) Declaration:

Your Company has received declarations from all the Independent Directors confirming that they fulfil the criteria of independence as prescribed under Section 149(6) Companies Act, 2013 and Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the fidelity of the same.

2) Disclosure pertaining to disqualification of Directors:

A certificate from M/s. Ragini Chokshi & Co, Practicing Company Secretaries has been received in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, confirming that none of the Directors on the Board of the Company have been disqualified to act as Director. The same is enclosed herewith as **Annexure G.**

3) Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors

During the year under review, the Board of Directors have carried out an annual evaluation of its own performance, board committee and individual directors pursuant to provisions of the Companies Act, 2013 and Regulation 17(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In a separate meeting of Independent Directors which was held on 21st May, 2021, performance of Non-Independent Directors and the board as whole was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. Performance evaluation of the Independent Director was done by the entire board, excluding the Independent Director being evaluated.

Accordingly, the evaluation sheet gets circulated to each and every Board member and the Board carries out annual performance evaluation of the entire Board, Individual Directors, including Chairman. The responses being received were evaluated by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013.

(a) that in the preparation of the annual financial statements for the year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any;

(b) that the accounting policies as mentioned in Note No.1 (B) to the Financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) that 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;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

(f) that systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

BOARD AND COMMITTEES' MEETINGS

During the year under review, four Board Meetings were held. These meetings were held on the 19th day of May 2020, 4th day of August 2020, 9th day of November 2020 and 1st day of February 2021. The details of Board meetings as well as Committee meetings are provided in the Corporate Governance Report forming part of this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with Secretarial Standards on Meetings of Board of Directors (SS-1) and on General Meeting (SS-2) issued by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Companies Act, 2013.

NOMINATION & REMUNERATION COMMITTEE AND POLICY

Your Company has in place a Nomination & Remuneration Committee and has also adopted a Nomination & Remuneration Charter and Remuneration / Compensation Policy. The constitution of the committee along with the terms of reference to the committee is set out in the Corporate Governance Report. The Nomination and Remuneration Charter and Compensation Policy is available on the Company's website at the following links: http://gscl.mehtagroup.com/policy/nomination-and-remuneration-charter and http://gscl.mehtagroup.com/policy/compensation-policy.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed at **Annexure H**. There were 373 permanent employees of the Company as on 31st March 2021.

A statement showing names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and 5(3) and other details as required of the aforesaid Rules, forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by Members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write at gsclinvestorquery@mehtagroup.com, whereupon a copy would be sent to such Member. Further, the details are also available on the Company's website at: http://gscl.mehtagroup.com/investors.

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made there-under, the Company at its 44th AGM appointed M/s. Bansi S. Mehta & Co, Chartered Accountants (Firm Registration No. 100991W) as Statutory Auditors of the Company to audit the accounts of the Company upto the Financial Year 2021-22 who shall hold office from the conclusion of the 44th Annual General Meeting till the conclusion of 48th Annual General Meeting of the Company.

The Report given by M/s. Bansi S. Mehta & Co, Chartered Accountants on the financial statements of the Company for FY 2020- 2021 forms part of this report.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204(1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries as Secretarial Auditor of the Company.

The Secretarial Audit Report submitted by them in Form MR-3 in accordance with Rule (9) of the Companies (Appointment and Remuneration Personnel) Rules, 2014 for the financial year ended March 31, 2021 is appended to this Report as **Annexure I**.

The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries as Secretarial Auditor of the Company for the Financial Year 2021-22.

COST AUDITORS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and on the recommendation of Audit Committee, M/s. M. Goyal & Co. Cost Accountants have been appointed by the Board as Cost Auditor of the Company for the Financial Year 2021-22. A Certificate of eligibility under Section 148 of the Companies Act, 2013 has been received.

As per the requirement of the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution for seeking Members' ratification for the remuneration payable to M/s. M. Goyal & Co., Cost Auditor, is included at item no. 3 of the Notice convening the Annual General Meeting.

COST RECORDS

Your Company has maintained cost accounts and records as per the requirements of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 for the year ended March 31, 2021.

TAX AUDITORS

The Board of Directors on the recommendation of the Audit Committee appointed M/s. Bansi S. Mehta & Co., Chartered Accountants to carry out the Tax Audit for the Assessment Year 2021-22.

INTERNAL AUDITORS

The Board of Directors on the recommendation of the Audit Committee appointed Mr. Tushar J. Shah, Chartered Accountant, to carry out the Internal Audit of the Company for the Financial Year 2021-22.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory and Secretarial Auditors have not reported any instances of frauds committed against your Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013, the details of which would require to be mentioned in the Director's Report.

OTHER DISCLOSURES UNDER COMPANIES ACT, 2013 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Audit Committee and details of its constitution, terms of reference of the said are set out in the Corporate Governance Report.

RISK MANAGEMENT

Your Company has a well-defined risk management framework/ system in place and a robust organizational structure for identifying and assessing the key risks, managing and reporting risks and ensuring smooth and efficient operations of the business.

Your Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

Your Company recognizes that risk as an integral part of business and is committed to managing the risks in a proactive and efficient manner. Given the uncertain and volatile business environment, your Company faces risk pertaining to continuous changes in technology, geo-politics, financial markets, high cost of raw material, volatile price and demand, change in regulations etc.

Risk management process has been established across your Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives.

The major risks identified are being addressed by the plant, marketing and corporate through risk response strategies and subsequently mitigating actions are taken. The Risks as is escalated by the "Executive Management" is reviewed periodically by the Audit Committee and the Board and action taken as suggested.

Detailed note on Risk Management is given in the Management Discussion and Analysis Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has always been conscious of its role as a good corporate citizen, and strives to fulfil this role by running its business with utmost care for the environment and for all the stakeholders. Your Company looks at Corporate Social Responsibility (CSR) activities not just as an obligation or activity but as a significant tool to contribute to society.

The objective of the Company's Corporate Social Responsibility (CSR) initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders.

The Board of Directors, on the recommendation of the Corporate Social Responsibility Committee, formulated a Corporate Social Responsibility Policy for welfare of the society, which is in consonance with Section 135 of the Companies Act, 2013 on CSR. The said policy was amended in accordance with CSR rules as amended under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs. The said policy is hosted on the Company's website at the following link: http://gscl.mehtagroup.com/policy/csr-policy.

The constitution and functions of the Corporate Social Responsibility Committee is provided under the Corporate Governance Report.

During the year under review, your Company has undertaken following CSR activities:

- Donated to PM Cares Fund to fight for COVID-19.
- Rural development project.
- Donated PPE Kits

The annual report on CSR activities and expenditure required under Section 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014 as amended from time to time and Rule 9 of the Companies (Account) Rules 2014 are given in **Annexure J** of the Report.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Pursuant to Rule 8(5) (vii) of Companies (Accounts) Rules, 2014, there are no significant/material orders passed by the regulators, any court or tribunal impacting the going concern status of the Company and its operations in future.

OTHER INFORMATION

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

Pursuant to provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as **Annexure K** to this report.

Whistle Blower Policy / Vigil Mechanism

Your Company has established a Vigil Mechanism and adopted a Whistle Blower for its Directors/ Employees to voice their concerns in a responsible and effective manner regarding unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct and Insider Trading Regulations. The mechanism also provides safeguards against victimization of Directors/Employees who avail the mechanism in accordance with Section 177(10) of the Companies Act, 2013 read with Rule 7(4) of the Companies (Meetings of Board and its powers) Rules, 2014.

During the financial year 2020-21, no cases under this mechanism were reported to the Company and /or to any of its subsidiaries / associates.

The Whistle Blower Policy is available on the website of the Company at the following link: http://gscl.mehtagroup.com/policy/whistle-blower-policy

Prevention of Sexual Harassment of Women at Workplace

With a view to create safe workplace and considering gender equality, your Company has formulated and implemented Sexual Harassment (Prevention, Prohibition and Redressal) Policy in accordance with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Detailed note is set out in the Corporate Governance report.

During the year under review, the Company has not received any complaints of sexual harassment from any of the women at work place of the Company.

Extract of the Annual Return

Pursuant to Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return in Form MGT-9 is available on the website of the Company at the following link: http://gscl.mehtagroup.com/investors/shareholder-information/mgt-9

OTHER DISCLOSURES:

1. Secretarial Compliance Report

a) Your Company has received a Secretarial Compliance Report for the year ended 31st March 2021 from M/s. Ragini Chokshi & Co., Practicing Company Secretaries, pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is annexed hereto as **Annexure L.**

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Remuneration paid / is payable to the Managing Director of the company from the subsidiary of the Company.
- Revision in the financial statements.
- Change in the nature of business.

2. Transfer of Shares

As notified under Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

Pursuant to Section 124(5) of the Companies Act, 2013, the Company has transferred the unclaimed dividend for the year 2012-13 and all the shares in respect of which dividend has not been paid or claimed for seven consecutive years to the Investor Education and Protection Fund (IEPF). Brief particulars of such transfer are given in the Corporate Governance Report forming part of this report.

3. Listing of Equity Shares

Your Company's equity shares are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid listing fees as prescribed for Financial Year 2021-22.

4. Staff Relations

Your Company has continued to maintain amicable Industrial Relations by focusing on increased worker level engagement through formal and informal communication and various training forums.

5. Investor Relations

Investor Relations (IR) at your Company serves as a medium for two-way communication of information and insights between the Company and the Investor Community.

In order to ensure accurate, transparent and timely information flow with its Investor your Company holds the following activities:

6. BSE Listing centre and NEAPS (NSE Electronic Application Processing System): -

BSE Limited and National Stock Exchange of India Limited have developed web-based applications for Corporate. All compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on BSE Listing centre and NEAPS within the timeline as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. SCORES (SEBI complaints redress system):

SEBI processes investor complaints in a centralized web-based complaints redressal system i.e., SCORES. Through this system a shareholder can lodge a complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI. The investor complaints are also handled and resolved by the Company's Registrar and Share Transfer Agent – M/s. Link Intime India Pvt. Ltd.

8. Exclusive email ID for Investors:

Your Company has established an email id gsclinvestorquery@mehtagroup.com exclusively for Investor servicing, and the same is prominently displayed on the Company's website at www.gujaratsidheecementlimited.com.

9. Information at Company's website:

All historical and latest information/ updates are promptly available on the Investors page of the Company's website at www.gujaratsidheecementlimited.com to keep its investors updated time to time.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, dealers, distributors, consumers, banks and other financial institutions and employees in ensuring an excellent all-around operational performance and for the greatest support given by them during the tough time.

For and on behalf of the Board of Directors

Jay Mehta	**M.S. Gilotra**
Exe. Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place: Mumbai

Date: June 29, 2021

ANNEXURE A

MANAGEMENT DISCUSSION AND ANALYSIS

CEMENT INDUSTRY AND OUTLOOK

The National Statistics Office, Government of India, has estimated contraction in India's GDP by about 8 to 8.5 per cent in FY 2020-21, mainly on account of the Covid pandemic. The pandemic continues to create havoc across the country with mobility and activity restrictions being imposed from time to time. The per capita income decreased by about 9 per cent in FY 2020-21. The cumulative index of eight core industries decreased by about 7 per cent in FY 2020-21.

The uncertainty in the economy and the business environment is expected to continue with mobility restrictions and other measures adopted by the government authorities till a large part of the population is vaccinated. S&P, Moody's, Fitch, CRISIL and IMF, have revised downwards India's GDP growth estimates for FY 2021-22 to 8-13 per cent from the earlier estimates of about 20 per cent. Government's focus will continue to be on controlling the spread of the pandemic. It is expected that the fiscal deficit will be around 10% in the current year.

FY 2020-21 was a challenging year for the economy as a whole. The construction activities including infrastructure and housing remained affected by the lockdown restrictions and non-availability of migrant labour at construction sites. Cement production in India declined by about 12 per cent during FY 2020-21 on account of lower demand. The capacity utilization for the cement industry was about 62 per cent in FY 2021-22.

India is the second largest cement producer in the world after China and accounts for over 8 percent of the global installed capacity. The installed capacity in India as on 31st March 2021 was about 545 Million Tons. However, the per capita consumption of cement in India at about 235 kg is far below the world average of over 520 kg. The industry is fragmented with close to 100 companies operating around 300 large plants across the country. Large players are consolidating their position with new capacities as well as acquisitions.

As per estimates by CRISIL, the cement consumption is expected to grow by about 13 per cent in FY 2021-22 and at a CAGR of 6-7 per cent between 2022-26. The growth will be driven by the Government focus on infrastructure spending and rural / low cost housing including construction of highways, ports, concreting of roads, dedicated freight corridors, metro rail in major cities, development of smart cities, housing for all etc. New capacity additions are being reviewed / deferred. The increase in demand coupled with limited capacity additions is likely to reduce volatility in the cement prices.

Cement is an energy intensive industry. There has been a substantial rise in the costs of coal, pet coke, diesel which will result in increase in manufacturing and logistics costs. The profitability margins are likely to come under pressure in the short term.

PERFORMANCE ANALYSIS

During the Financial Year ended 31st March 2021, your Company earned a net profit of ₹. 29.29 crores as against net profit of ₹. 42.41 crores in the previous Financial Year. The decrease in profitability was mainly on account of lower price and demand pursuant to the impact of Covid-19 coupled with increase in cost of raw materials and transport costs.

Since cement is the core business of the Company, the majority of the revenue and profitability comes from the sale of different types of cement.

KEY FINANCIAL RATIOS

The details of significant changes in key financial ratios of your Company for the current Financial Year vis-à-vis the previous Financial Year are given on the following Table:

Ratio	Current FY 2020-21	Previous FY 2019-20	Variance %	Reason for Variance
Debtors Turnover (Days)	12.56	10.91	15%	Higher Sales in the month of March 21
Inventory Turnover – (Days)	43.41	37.74	15%	Higher Stock of Raw Materials
Interest Coverage Ratio	15.98	14.64	9%	

Ratio	Current FY 2020-21	Previous FY 2019-20	Variance %	Reason for Variance
Current Ratio	1.15	0.90	27%	Increase in Fixed Deposits with bank due to better profitability & liquidity
Operating Profit Margin (%)	11.11%	14.14%	-21%	Higher Cost of Raw Materials
Net Profit Margin (%)	5.18%	7.25%	-29%	Higher Cost of Raw Materials

The Return on Net Worth of your Company for the FY 2020-21 was 6.60% as against 10.25% in the Previous Financial Year. The reason for the change in the ratio was mainly Higher Cost of Raw Materials.

RISK AND CONCERNS

Your Company is facing many of the risks as is faced by majority of the Cement Manufacturers across India like:-

- Outbreak of second wave of COVID pandemic;
- Uncertainty due to various changes in the Mining Laws
- High Energy costs.
- high rate of taxation on the industry - in terms of 28% GST, Royalty plus DDT etc. on limestone
- Addition of New capacities likely to result in a supply overhang;
- Intense competition / Pressure on prices;
- High Logistics cost which put pressure upon margins;
- Low demand in the paint industry due to continuous lockdown

Your company has a robust risk management system wherein all the risks are identified and mitigated at the factories and corporate level. The high risks are escalated to the Audit Committee and the Board.

During the year under review, the following risks were identified and mitigation steps being taken:-

A. Market Risk:

- Cement demand is dependent on construction activities – primarily housing and infrastructure. Any adverse policies or circumstances affecting construction activities including current restrictions due to COVID will indirectly impact cement demand.
- Dependence on Gujarat:- Majority of the sales volume of the Company is restricted to the state of Gujarat. The Company is largely dependent on a single market and any calamity or other factor which may affect development in Gujarat may also impact the company’s performance. This risk is partially mitigated by selling some volumes in nearby regions.
- Volatility in the Prices and Volumes:- On account of large surplus capacity, addition of new entities in the Cement and due to the fragmentation in the market; there may be volatility in the cement prices and impact the sales volumes, market share and profitability of your Company. Your Company is mitigating this risk through various efforts in sales promotion, thrust on local markets, leveraging the brand strength and by maintaining a strong relationship with the dealer network.

B. Raw Material Risk:

Availability of Limestone and other resources: - Limestone is the key raw material for cement production and its availability for existing and future plant requirements is essential. Company has been making all efforts to optimize its usage, thereby, conserving the deposits and enhancing their life.

Availability of certain raw materials may be adversely affected due to recent changes in Mining Laws and restrictions on use of certain fuels / raw materials. Your Company has taken initiatives to mitigate this risk through entering into long term agreements for raw materials and identifying use of alternative fuels and raw material sources.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has instituted internal financial control systems which are adequate for the nature of its business and size of operations. The various policies and procedures adopted by the Company ensures conducting of the business efficiently including adherence to the Company's policies, safeguarding business assets from stealing and wastage, ensuring compliance with business policies and the law of the land, performance evaluation of each employee and officer to increase the efficiency in operation and timely preparation of true and reliable operating data and financial statements.

The systems have been well documented and communicated. The systems are tested and audited from time to time by the Company's Internal Auditors who periodically audit the adequacy and the effectiveness of the internal control systems and procedures which have been laid down by the management and suggest improvements thereon. Any significant audit observations and follow-up in this regard is reported to the Audit Committee.

The Audit Committee of the Board of Directors approves from time to time - the quarterly audit assignments, reviews the progress of audit findings presented by the Internal Auditors. Also the status of the implementation of audit recommendations and adequacy internal controls is reviewed by the Audit Committee.

The constitution of the Audit Committee and its terms of reference are set out in the Corporate Governance Report as **Annexure B.**

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Your Company believes that human capital is most precious assets of the organisation. The Company has been continuously striving to improve human resources skills, competencies and capabilities, in order to achieve its business objectives and to cater to employees aspirations. In order to enhance managerial capabilities, we have been providing trainings to upgrade skills of internal staff to build a pool of talent for the future roles.

Learning at one's own pace, time and convenience was initiated through cost effective e-learning system, which was responded very well by the employees. We have organized learning and skills development programs through Online modules of One-hour Learning and nominated employees for relevant webinars, covering Technical, Functional, and Behavioural, as well as Employee Wellness programs. Total 612 number of programs conducted covering 100% of employees from Plant, Corporate Office & Marketing Offices. This has resulted in employees opting for self-development mode.

Your Company continued our Annual initiative for employees with a project called "Talk To Me" which included employee wellness survey, T&D effectiveness survey providing insight into employees learning & development, health, wellbeing and also employees expectations & aspirations. This helped us in revitalizing company policies, practices and employee engagement.

The Industrial Relations at the Plant have remained cordial.

The Management is pleased to acknowledge the contribution of all employees who have helped the Company to perform well in spite of pandemic and striving for the overall satisfaction of all stakeholders. The employee relations have been harmonious and amicable throughout the year.

As on 31st March, 2021 the Company had 373 permanent employees.

Community Welfare Activities

Sustainability and Community Welfare Activities have been our Company's core values since its inception. The Company strives to positively impact the lives of the communities around its nearby areas of operation, minimize impact on the environment and address concerns of communities in a mutually beneficial manner. Therefore, your Company lay emphasis on understanding the requirements of the local community and embark on initiatives, investing considerable resources, which create long-term Societal benefits. The emphasis of all CSR initiatives is to bring about a meaningful change in the lives of people in our local communities.

Your Company takes utmost care in the selection of community interventions initiated. The prime endeavor is to remain focused on creating long-term wealth creation for all local community members; irrespective of their gender, ethnic and religious backgrounds. The Company has zero tolerance policy towards sexual harassment at workplace; as per the applicable law.

Occupation Health & Safety

Your Company continuously undertakes various initiatives aimed at providing a healthy and safe workplace to its staff (full-time employees, as well as contract workers). GSCL is committed to ensuring zero harm to its employees, contractors, and the communities in which it operates. This is integral to the business process and is laid down in the Health and Safety (H&S) policies, standards and working procedures. The factory has a Health Care Center, providing medical aid to the Company's employees and their family members, workers, as well as patients from the vicinity. The Company conducts various immunization programs, blood donation camp, family welfare education, health care, safety, as well as various periodical health checkups and first aid training programs for employees and workers. Your Company continues to contribute towards the Medical Centre and occupational health services. We take pride in sharing that during pandemic, our Medical Team has contributed their time and efforts to the best of their abilities to take care of health of employees, their families and community around villages.

The Company continues "Work from Home Policy" for its employees working at Corporate and Marketing offices, to minimize the risk and contain the spread of COVID 19. The Company continues to take various measures to ensure safety and well-being of all employees and is ensuring compliance with the directives issued by the Central, State Government and local administration in this regard.

Education

Your Company has a full-fledged School up to 10th Standard affiliated with CBSE for the children of the employees and local people staying in nearby areas. In order to enable children studying in English medium schools, the Company provides school bus facility. The Company also facilitates the nearby school to strengthen educational system & infrastructure. During Covid-19 period School commenced online teaching for its students.

Sanitation

The Company is committed to improve sanitation and is connected with Government of India in 'Swachh Bharat Abhiyan' initiated in India by our Prime Minister. During lock down and last year too your company has initiated extra ordinary preventive actions to ensure cleanliness in and around our Plant and in the vicinity.

Reforestation

Plants are a significant part of nature. Plants have also been described in Sanskrit Literature as part and parcel of human civilization and have played vital role in almost all the spheres of human life.

The Company is committed to protection of environment and maintenance of bio- diversity. A green belt has been developed in the Plant premises and nearby areas. Your Company has planted more than two lakh trees in the last one decade, with survival rate of more than 90%. During this financial year Company has planted 8092 plants. The team at the Plant has put in a lot of efforts in conservation and propagation of rare species of trees, increasing forest cover and fruit garden.

CORPORATE SOCIAL RESPONSIBILITY

The emphasis of all CSR initiatives is to bring about a meaningful change in the lives of people in our local communities. Your Company has been continuously working towards ensuring that there is no adverse impact of its operations on the society and environment. The CSR vehicle has been used to help the society in achieving this initiative. The CSR is need-based and mostly in the vicinity or nearby areas of operations. The various initiatives taken during the year are in Health, Education, Drinking Water, Environment, Rural Development. The initiatives are aimed at creating long-term value and are implemented for the community members irrespective of their gender, ethnicity and religious background. The Management has also taken initiatives in helping the District Administration in implementing COVID appropriate activities including providing ventilators and overcoming the pandemic impact.

CAUTIONARY STATEMENT

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking statements within the meaning of applicable security laws and regulations. The Statements are based on certain assumptions and expectations of future events. Actual results could however differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply position, raw material, fuel, transport cost and availability, changes in Government regulations and tax structure, economic development in India. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future based on subsequent developments, information or events.

For and on behalf of the Board of Directors

Jay Mehta
Exe. Vice Chairman
(DIN: 00152072)

M.S. Gilotra
Managing Director
(DIN: 00152190)

Place: Mumbai

Date: June 29, 2021

ANNEXURE B

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continuously strives to adopt and implement the best-in-class governance practices. The Company's actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. Over the years, your Company has strengthened its governance practices, and it is the Company's endeavor to achieve the best-in-class governance standards.

The Company's business objective and that of its management and employees is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy. The success of a Company is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical and responsible conduct are met through the organization.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read along with para C & D & Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015).

BEST CORPORATE GOVERNANCE STRUCTURE

The Board of Directors is the primary stakeholder influencing corporate governance. An active, well informed and independent board safeguards and maintains sound corporate governance across all the functions. Your Company's governance structure broadly comprises the Board of Directors and the Committees of the Board and the Executive Management. The Board of your Company has the required mix of Executive and Non-Executive Directors with the majority of the Board Members comprising Independent Directors.

BOARD OF DIRECTORS:

The Company has a balanced and diverse Board. The Company's Board has an optimum mix of Executive and Non-Executive and Independent Directors, to maintain independence and separate the functions of governance and management. The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Executive Vice Chairman and Managing Director of the Company. The Board plays a primary role to protect the interest of the Company and enhance value of all the stakeholders.

Committees of Board:

With a view to have better transparency in various areas of the business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship & Grievances Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Allotment Committee and Finance Committee. These Committees undertake the functions, roles and responsibilities as provided herewith.

Executive Management:

The Executive Management of the Company oversees the business and compliances. The Executive Vice Chairman (EVC) and Managing Director (MD) assume overall responsibility for strategic management of business and corporate functions including oversight of governance processes and ensuring Top Management effectiveness. They act as a link between the Board and the Management of the Company and are responsible for managing and reviewing the roles and responsibilities of other executive officials including the Company Secretary and Department Heads across various locations.

BOARD OF DIRECTORS:

Composition (as on 31.3.2021):

Your Company's Board comprises of 14 (Fourteen) Directors, which include 7 (Seven) Independent Directors. The Board represents an optimal mix of required knowledge in the field of Cement Manufacturing, finance, strategy and general management. The Board composition as on 31st March 2021 is as under:

Category	No. of Directors
Non-Executive, Non-Independent Directors (including Chairman)	5
Non-Executive, Independent Directors (including Woman Director)	7
Non-Independent, Executive Directors – EVC & MD	2
Total	**14**

The composition of the Board of Directors is in conformity with the SEBI (LODR) Regulations, 2015.

On an annual basis and in accordance with the requirements of Regulation 25 & 26 of the SEBI (LODR) Regulations, 2015, the Company obtains from each Director details of the Board and Board Committee positions he / she occupies in other Companies and changes, if any, regarding their Directorships. Further, all Directors provide an annual confirmation that they do not attract any disqualification as prescribed under Section 164 of the Companies Act, 2013 and Independent Directors confirm annually that they meet the criteria of independence as defined under Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations. Based on the confirmation / declarations received from the Independent Directors and on evaluation of the relationships disclosed, the Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the executive management.

PROFILE OF DIRECTORS

A brief profile of each Director is given below:

Mr. M. N. Mehta – DIN: 00632865 (Chairman, Promoter Group, Non-Independent)

Mr. M. N. Mehta, aged 89 years, is an Industrialist. Mr. Mehta is a Non-Resident Indian. He completed his education in India and then joined the family business at the age of 19 years in East Africa. He has over six decades of entrepreneurial experience. He is the motivating force behind the Group. He is also Chairman of Saurashtra Cement Limited and Agrima Consultants International Limited and Director in other private companies in India. He is also Chairman of the Finance Committee of the Board.

He joined the Board of the Company in December, 1984. He was reappointed as a non – retiring Chairman as per the Articles of Association of the Company on 23.08.2016.

Mr. Jay Mehta – DIN: 00152072 (Executive Vice Chairman, Promoter Group, Non-Independent)

Mr. Jay Mehta, aged 60 years, has graduated in Industrial Engineering from Columbia University in 1983 and has completed MBA from The International Institute of Management Development (IMD) in Lausanne, Switzerland. He has over 3 decades of experience in the Cement Industry. He is also Executive Vice Chairman of Saurashtra Cement Limited and Board member of Agrima Consultant International Limited along with other private and public limited companies in India. Mr. Jay Mehta is a Member of Corporate Social Responsibility (CSR) Committee, Finance Committee and Stakeholders' Relationship & Grievances Committee of the Board.

Initially, he joined the Board of the Company in April, 1992 and was reappointed by the shareholders for a further period of 3 (three years) with effect from 1st January 2021 to 31st December 2023, at the Annual General Meeting held on 25th September 2020.

Mrs. Juhi Chawla Mehta – DIN: 00161706 (Non-Executive, Promoter Group, Non-Independent Director)

Mrs. Juhi Chawla Mehta, aged 54 years is a Commerce Graduate from University of Mumbai with Honors. She is a renowned Cine Artist. She is also on the Board of other private limited companies. She is the Member of Corporate Social Responsibility (CSR) Committee of the Board.

She joined the Board of the Company on 31.5.2014. She is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Mr. Hemnabh R. Khatau – DIN: 02390064 (Non-Executive, Non-Independent Director, Promoter Group)

Mr. Hemnabh R. Khatau, aged 60 years, has graduated with B.A (Electrical Engineering) from Cambridge University, MSc. (Microprocessor Engineering) (UMIST) and MSc (Sloan Fellowship Masters Programme, London Business School). He has a track record of successful Board level line management in manufacturing and financial services sectors. He has wide experience in developing and implementing successful strategies for growth and improving performance. He has worked in UK for a decade in various positions in the consulting practices of Capgemini UK, KPMG and Indeco IMC. He is also Director of Saurashtra Cement Limited and of Agrima Consultants International Limited.

He joined the Board in October, 2008 and was reappointed in the current term on 13.8.2018.

Mr. Venkatesh Mysore – DIN: 01401447 (Non-Executive, Non-Independent Director)

Mr. Venkatesh Mysore, aged 63 years, is a qualified MBA in Marketing & Finance from Madras University and also attained his Chartered Life Underwriter (CLU) designation from the American College in 1991. He has got more than 35 years of experience and his last assignment was that of India Country Head of Sun Life Financial of Canada since January 2007 and prior to that he was with Metlife, USA for over 21 years. He is also on the Board of several public limited companies. Mr. Venkatesh Mysore is the Chairman of Stakeholders' Relationship & Grievances Committee and Member of the Finance Committee and Allotment Committee of the Board.

He joined the Board of the Company in October, 2010 and was reappointed in current term on 25.7.2017.

Dr. Rahul B. Gupta, (IAS) – DIN: 08572955 (Non-Executive, Non- Independent (Nominated by GIIC Ltd)

Dr. Rahul B. Gupta, IAS, aged 41 years is a bureaucrat and associated with GIIC Limited since September 2019. He is also on the Board of Government undertaking companies.

He was appointed as Non-Executive, Non Independent Director (Nominated by GIIC Ltd) on the Board at the Annual General Meeting held on 25th September, 2020

Mr. M. L. Tandon – DIN: 00078923 (Non-Executive - Independent Director)

Mr. M. L. Tandon, aged 81 years, has done M.S.E.E. (Purdue), USA, MBA (U.S.C, U.S.A). He is an Industrialist. He is on the Board of several private and public limited companies. He is the Member of the Audit Committee and Nomination & Remuneration Committee of the Board.

He joined the Board of the Company in July, 1987. He was reappointed as Independent Director in the current term at the Annual General Meeting held on 13.8.2018 for another term of five consecutive years with effect from 1.4.2019 to 31.3.2024.

Mr. Bimal R. Thakkar – DIN: 00087404 (Non-Executive - Independent Director)

Mr. Bimal Thakkar, aged 56 years, has done B. Com and Diploma in Export Management and has also done a course in International Business and Marketing from Trade Development Institute of Ireland. He has over two decades of experience and is currently spearheading the ADF Group. He has been instrumental in expansion of the business and promoting the company's products in international markets, development of Brands and creating new markets for the products in U.K. USA, Gulf, Australia, Europe etc. He is also on the Board of several public limited companies. He is a Member of Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Allotment Committee of the Board. He is also on the Board of Saurashtra Cement Limited.

He joined the Board of the Company in October, 2008. He was reappointed as Independent Director in the current term at the Annual General Meeting held on 13.8.2018 for another term of five consecutive years with effect from 1.4.2019 to 31.3.2024.

Mr. M.N. Rao – DIN: 00027131 (Non-Executive - Independent Director)

Mr. M. N. Rao, aged 84 years, is a Science Graduate and Mechanical Engineer. He has worked with IDBI and has wide experience in the Cement Industry. He is a Member of the Audit Committee and Stakeholders' Relationship & Grievances Committee of the Board. He is also on the Board of Saurashtra Cement Limited.

Originally, he joined the Board in May 2014. He was reappointed as Independent Director in the current term at the Annual General Meeting held on 13.8.2018 for another term of five consecutive years with effect from 1.4.2019 to 31.3.2024.

Mr. K. N. Bhandari – DIN: (Non-Executive - Independent Director)

Mr. K. N. Bhandari, aged 79 years, has done B.A., LL.B. He is the Ex-Chairman-cum-Managing Director of The New India Assurance Company Limited and United India Insurance Company Limited. Mr. Bhandari is having rich experience in the Insurance Industry. He is also on the Board of several public limited companies. Mr. K. N. Bhandari is a Chairman of the Nomination & Remuneration Committee of the Board. He is also on the Board of Saurashtra Cement Limited.

Originally, he joined the Board in May 2014. He was reappointed as Independent Director in the current term at the Annual General Meeting held on 13.8.2018 for another term of five consecutive years with effect from 1.4.2019 to 31.3.2024.

Mrs. Bhagyam Ramani– DIN: 00107097 (Non-Executive - Independent Director)

Mrs. Bhagyam Ramani, aged 69 years, is a Post Graduate in Economics (Hons) with specialization in Industrial & Monetary Economics and retired as Director & General Manager of General Insurance Corporation of India, a Government of India Undertaking. She has more than 4 decades experience in various fields including finance and accounts. She is also on the Board of several public limited companies. She is also on the Board of Saurashtra Cement Limited. She is a member of the Allotment Committee of the Board.

She joined the Board in August 2014. She was reappointed as Independent Director in the current term at the Annual General Meeting held on 13.8.2018 for another term of five consecutive years with effect from 1.4.2019 to 31.3.2024.

Mr. Ashwani Kumar – DIN: 02870681 (Non-Executive - Independent Director)

Mr. Ashwani Kumar, aged 63 years, is a Post Graduate in Chemistry and is a Certified Associate of Indian Institute of Bankers. A versatile banker, Mr. Ashwani Kumar has a rich banking experience of over 37 years serving in Allahabad Bank, Corporation Bank and Dena Bank both at operational level and administrative level. He retired as Chairman and Managing Director of Dena Bank. He is also on the Board of other companies including Saurashtra Cement Limited. He is a Member of the Nomination & Remuneration Committee.

He joined the Board with effect from 12.2.2019 and was appointed as Independent Director at the Annual General Meeting held on 22.8.2019 for a period of 5 years from 12.2.2019.

Mr. M.N. Sarma - DIN: 06734357 (Non-Executive Independent Director)

Mr. M.N. Sarma, aged 63 years, is a Post Graduate in Economics, LLB and he is Associate Member of the Insurance Institute of India. Mr. Sarma has experience in the insurance sector of around 36 years serving in New India Assurance Company Ltd, Oriental Insurance Company Limited, The Ken India Assurance Company Ltd, Nairobi and Government of India owned Health Insurance TPA of India Limited. He retired as Chairman-cum-Managing Director of United India Insurance Company Ltd. Presently, he is Secretary General of the General Insurance Council.

Mr. M. N. Sarma joined the Board in February 2019. He was appointed w.e.f. 25.5.2019 (closure of business Hours) for a period from 26.5.2019 to 31.3.2024.

Mr. M. S. Gilotra – DIN: 00152190 {(Non-Independent Executive Director (Managing Director)}

Mr. M.S. Gilotra, aged 70 years, is a Mechanical Engineer from BITS, Pilani. He has total experience of more than 4 decades. His total experience includes 21 years tenure with Associated Cement Companies Ltd. (ACC). During his career he has served as head of operations of various cement units and has also been extensively involved in reviewing feasibility of new ventures, project execution and management. Mr. Gilotra is in charge of day-to-day operations of the Company and has substantial power of management. He is also the Managing Director of Saurashtra Cement Limited. He is a Member of Audit Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders' Relationship & Grievances Committee, Finance Committee and Allotment Committee of the Board.

He joined the Board in June, 1995 and was reappointed by the shareholders for a further period of 3 (three years) with effect from 1st January 2021 to 31st December 2023, at the Annual General Meeting held on 25th September 2020.

CESSATION OF DIRECTOR

NIL

APPOINTMENT OF DIRECTOR

NIL

RE-APPOINTMENT OF DIRECTORS

Mr. Jay Mehta was reappointed as Executive Vice Chairman for a period of 3 (three) years w.e.f. 01.01.2021 to 31.12.2023. The reappointment was approved by the shareholders at the 46th Annual General Meeting held on 25th September 2020.

Mr. M. S. Gilotra was reappointed as Managing Director for a period of 3 (three) years w.e.f. 01.01.2021 to 31.12.2023. The reappointment was approved by the shareholders at the 46th Annual General Meeting held on 25th September 2020.

The brief resume of the Director proposed to be reappointed is appended to the Notice of the Annual General Meeting.

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING, DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTOR INTER-SE AND NUMBER OF SHARES HELD BY NON-EXECUTIVE DIRECTORS.

During the Financial Year under review, four Board Meetings were held. The meetings were held on the 19th day of May 2020, 4th day of August 2020, 9th day of November 2020 and 1st day of February 2021. The Directors are also given an option of attending the board meeting through Video Conferencing (VC). The last Annual General Meeting (AGM) was held on the 25th day of September 2020. The details of attendance at Board Meetings and at the last Annual General Meeting during the year under review are as under: -

Sr. No	Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM	Relation-ship with other Director	No. of Shares held
1.	Mr. M. N. Mehta	Chairman, Non-Executive, Non-Independent	4	No	Father of Mr. Jay Mehta	-
2.	Mr. Jay Mehta	Executive Vice Chairman, Non-Independent	4	Yes	Son of Mr. M. N. Mehta	1000
3.	Mrs. Juhi Chawla Mehta	Non-Executive, Non-Independent	3	No	Wife of Mr. Jay Mehta	78600
4.	Mr. Hemnabh Khatau	Non-Executive, Non-Independent	4	Yes	--	--
5.	Mr. Venkatesh Mysore	Non-Executive, Non-Independent	4	No	--	--
6.	Mr. M. N. Rao	Non-Executive, Independent	4	Yes	--	--
7.	Mr. K. N. Bhandari	Non-Executive, Independent	4	Yes	--	--
8.	Mr. M. L Tandon	Non-Executive, Independent	3	No	--	--
9.	Mr. Bimal R. Thakkar	Non-Executive, Independent	3	No	--	--

Sr. No	Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM	Relation-ship with other Director	No. of Shares held
10.	Mrs. Bhagyam Ramani	Non-Executive, Independent	4	Yes	--	--
11.	Mr. Ashwani Kumar	Non-Executive, Independent	4	Yes	--	--
12.	Mr. M. N. Sarma	Non-Executive Independent	3	No	--	--
13.	Mr. M.S. Gilotra	Managing Director, Non-Independent	4	Yes	--	80000*
14.	Dr. Rahul Gupta IAS	Non-Executive Non-Independent	1	No	--	--

*Issued and allotted under Gujarat Sidhee Employees Stock Option Scheme 2017.

Except Mr. M. N. Mehta, Mr. Jay Mehta and Mrs. Juhi Chawla Mehta none of the Directors of the Company or any of the Key Managerial Personnel are inter-se related.

OTHER DIRECTORSHIPS

None of the Directors is a Director in more than 10 Listed Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he/she is a Director.

The details of the Directorships and Committee memberships in other Companies (excluding Unlisted Companies & Foreign Companies) held by the Directors as on 31st March 2021 are given below:

Sr. No.	Name of the Director	Other Director-ships*	Committee Positions**		Name of the Listed entities	Category of Director-ship
			Chairman	Member		
1.	Mr. M. N. Mehta Chairman, Non-Executive, Non-Independent	1	-	-	Saurashtra Cement Limited	Chairman, Non-Executive, Non-Independent
2.	Mr. Jay Mehta, Executive Vice Chairman, Non-Independent	2	-	1	• Saurashtra Cement Limited • ADF Foods Limited	Executive Vice Chairman, Non-Independent Non-Executive, Independent Director
3.	Mrs. Juhi Chawla Mehta, Non-Executive, Non-Independent	-	-	-	-	-
4.	Mr. Hemnabh Khatau, Non-Executive, Non-Independent	1	-	-	Saurashtra Cement Limited	Non-Executive, Non-Independent Director

Sr. No.	Name of the Director	Other Director-ships*	Committee Positions**		Name of the Listed entities	Category of Director-ship
			Chairman	Member		
5.	Mr. M. N. Rao, Non-Executive, Independent	1	1	1	Saurashtra Cement Limited	Non-Executive, Independent Director
6.	Mr. Venkatesh Mysore, Non-Executive, Non-Independent	1	-	-	Oberoi Realty Limited	Non-Executive, Non-Independent
7.	Mr. K. N. Bhandari Non-Executive, Independent	4	3	5	• Shristi Infrastructure Development Corporation Limited • Saurashtra Cement Limited • Hindalco Industries Limited • Jaiprakash Associates Limited	Non-Executive, Independent Director
8.	Mr. M. L.Tandon Non-Executive, Independent	-	-	-	-	-
9.	Mr. Bimal Thakkar Non-Executive, Independent	2	1	3	• Saurashtra Cement Limited • ADF Foods Limited	Non-Executive, Independent Director Executive Director, Managing Director
10.	Mrs. Bhagyam Ramani Non-Executive, Independent	3	-	3	• Capri Global Capital Limited • Saurashtra Cement Limited • Lloyds Metals and Energy Limited	Non-Executive, Independent Director
11.	Mr. Ashwani Kumar Non-Executive, Independent	1	-	-	Saurashtra Cement Limited	Non-Executive, Independent Director
12	Mr. M. N. Sarma Non-Executive Independent	-	-	-	-	-
13	Dr. Rahul Gupta IAS Non-Executive Non-Independent	-	-	-	-	-

Sr. No.	Name of the Director	Other Director-ships*	Committee Positions**		Name of the Listed entities	Category of Director-ship
			Chairman	Member		
14.	Mr. M.S. Gilotra Managing Director, Non-Independent	1	-	2	Saurashtra Cement Limited	Executive Director, Managing Director

*Includes Directorships of Indian Public Limited companies other than Gujarat Sidhee Cement Limited.

**Includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (whether listed or not) other than Gujarat Sidhee Cement Limited.

Agenda:

The agenda papers backed by the information (except for the price sensitive information, which is circulated at the meeting) as provided at Annexure A of the Secretarial Standards (SS-1) on "Meeting of Board of Directors" issued by the Council of Institute of Company Secretaries of India (ICSI) and approved by the Central Government read along with Part A of Schedule II of SEBI (LODR) Regulations, 2015 are circulated to the Directors seven working days prior to the Board Meeting. Additional agenda in the form of "Other Business" if any are included with the permission of the Chairman and with the consent of the majority of the Independent Directors present at the meeting.

Invitees & Proceedings:

Apart from the Board members, the CFO & Company Secretary also attend all the Board & Committee Meetings. Other senior management executives of the Company / Associate Company are also invited to provide inputs for the items being discussed by the Board. The Managing Director and CFO make presentations on the quarterly and annual operating and financial performance and on annual budget at the Board and Audit Committee meeting respectively. The Chairman of various Board Committees briefs the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board Meeting.

INDEPENDENT DIRECTORS

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. Their re-appointment has been approved by the Members of the Company at the Annual General Meeting held on 13th August 2018 and 22nd August 2019. None of the Independent Directors serve as "Independent Director" in more than 7 (seven) listed companies. The Independent Directors have confirmed that they meet the criteria of independence laid down under the Act and SEBI (LODR) Regulations, 2015 and as amended from time to time.

As per the Ministry of Corporate Affairs (MCA) notification dated October 22, 2019, which notified the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019 effective from December 01, 2019, all the Independent Directors have uploaded their details in the data bank of Indian Institute of Corporate Affairs (IICA) for a period of one year or five years.

As per Schedule IV of the Companies Act, 2013 and Regulation 25 (3) and (5) of SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 21st May 2021 to review the performance of Non-Independent Directors and the Board as a whole.

The Independent Directors also assessed the quality, quantity and timeliness of flow of information necessary for the Board to effectively discharge its duties between the Company's management and its Board.

FAMILIARIZATION PROGRAMME FOR THE DIRECTORS INCLUDING INDEPENDENT DIRECTORS:

In accordance with the requirements of SEBI (LODR) Regulations, 2015, the familiarization programme is conducted by the Company for the Independent Directors and number of hours spent and other details is uploaded on the website of the Company at the following link:- http://gscl.mehtagroup.com/investors/sebi-regulations-disclosures.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The evaluation framework for assessing the performance of Directors of the Company comprises contributions at the meetings, strategic perspective or inputs regarding the growth and performance of the Company, among others. In accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors has put in place a mechanism for evaluation of its performance, Committee's and Individual Directors. The evaluation process considers attendance of Directors at the Board and Committee meetings, participation at the meetings, domain knowledge, and coalition in the Board Meeting, awareness and observation of Governance etc. Accordingly, the evaluation sheet gets circulated to each and every Board member and the Board carries out annual performance evaluation to the entire Board, Individual Directors including Chairman. The result of the evaluation is satisfactory and adequately meets the requirements of the Company. As per the amended regulations of SEBI (LODR) Regulations, 2015, the Board is required to review the core skills / expertise / competencies identified by the Board as required in the context of its business & sectors to function effectively. The matrix in this regard as provided in the LODR Regulations under Schedule V(c) (h) is given below:

Sr. No.	Skills / Expertise / Competence	Available with the Board (Yes / No)	Name of the Directors who have such skills /expertise / competence
1.	Technical Expertise	Yes	Mr. M.N. Mehta, Mr. Jay Mehta, Mr. Hemnabh Khatau, Mr. M.N. Rao, Mr. M. S. Gilotra
2.	Legal Expertise	Yes	Mr. K.N. Bhandari. M.N. Sarma
3.	Industry Expertise	Yes	Mr. M.N. Mehta, Mr. Jay Mehta, Mr. M.L. Tandon, Mr. M.N. Rao, Mr. M. S. Gilotra, Dr. Rahul Gupta
4.	Finance Expertise	Yes	Mr. M. L Tandon, Mr. M.N. Rao, Mr. Hemnabh Khatau, Mr. Bimal Thakkar, Mr. K.N. Bhandari, Mrs. Bhagyam Ramani, Mr. Ashwani Kumar, Mr. M.N Sarma, Mr. Venkatesh Mysore, Mr. M.S. Gilotra
5.	Strategy	Yes	Mr. M. N. Mehta, Mr. M. L. Tandon, Mr. Bimal Thakkar, Mr. Jay Mehta, Ms. Juhi Chawla Mehta, Mr. M. N. Rao, Mr. M.S. Gilotra, Mr. K. N. Bhandari, Mrs. Bhagyam Ramani, Mr. M. N. Sarma, Mr. Hemnabh Khatau, Mr. Ashwani Kumar, Mr. Venkatesh Mysore
6.	Marketing Expertise	Yes	Mr. M.N. Mehta, Mr. Jay Mehta, Mrs. Juhi Chawla Mehta, Mr. M.L. Tandon, Mr. Bimal Thakkar, Mr. Venkatesh Mysore, Mr. Ashwani Kumar, Mr. M.S. Gilotra

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process.

The Audit Committee of the Board comprises of four members viz. Mr. M. N. Rao, Mr. M. L. Tandon, Mr. Bimal Thakkar and Mr. M. S. Gilotra. Mr. M. N. Rao is the Chairman of the Audit Committee and was present at the last AGM.

During the year under review, four meetings of the Audit Committee were held. The meetings were held on the 19th day of May 2020, 4th day of August 2020, 9th day of November 2020 and 1st day of February 2021. Partners/Representatives from Internal Auditors and Statutory Auditors also attended the meetings. Details of Audit Committee Meetings attended by the Audit Committee Members are given below:

Sr. No.	Members of Audit Committee	No. of meetings held	No. of meetings attended
1.	Mr. M. N. Rao, Chairman	4	4
2.	Mr. M. L. Tandon, Member	4	3
3.	Mr. Bimal Thakkar, Member	4	3
4.	Mr. M. S. Gilotra, Member	4	4

The approved Minutes of the Audit Committee Meetings are perused and noted by the Board of Directors at the subsequent Board Meetings.

TERMS OF REFERENCE OF AUDIT COMMITTEE

1. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend the appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approve payment to Statutory Auditors for any other services rendered by them.
4. Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
    a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of the Section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management;
    d. significant adjustments made in the financial statements arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions;
    g. modified opinion(s) in the draft audit report;
5. Review, with the management, the quarterly financial statements before submission to the Board for approval;
6. Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approve transactions of the Company with related parties and any subsequent modification;
9. Scrutinize inter-corporate loans and investments;
10. Consider Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluate internal financial controls and risk management systems;
12. Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discuss with Internal Auditors of any significant findings and follow up there on;
15. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discuss 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;
17. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Review the functioning of the Whistle Blower / Vigil Mechanism;
19. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Review the utilization of loans and / or advances from / investment by the company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
21. To review the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time); and
22. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 comprising the following Directors.

1.	Mr. Jay Mehta	Chairman
2.	Mr. M. S. Gilotra	Member
3.	Mrs. Juhi Chawla Mehta	Member
4.	Mr. Bimal Thakkar	Member

During the year under review, the Committee had one meeting. The meeting was held on 19th May 2020. Details of CSR Committee Meeting attended by the Members are given below:

Members of the CSR Committee	No. of meetings held	No. of Meetings attended
Mr. Jay Mehta, Chairman	1	---
Mr. M. S. Gilotra, Member	1	1
Mrs. Juhi Chawla Mehta, Member	1	1
Mr. Bimal Thakkar, Member	1	1

The company has a policy in place on Corporate Social Responsibility.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Section 135 of Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII;

a. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
b. To monitor the CSR Policy of the Company from time to time; and
c. Such other Terms of Reference as may be specified and amended from time to time under the Companies Act, 2013, Rules there under and Schedule VII of the Act.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of four directors viz. Mr. M. L. Tandon, Mr. K. N. Bhandari, Mr. Bimal Thakkar and Mr. Ashwani Kumar. Mr. K. N. Bhandari is the Chairman of the Nomination and Remuneration Committee.

During the year under review, two meetings were held, which was on 12th May 2020 and 6th November 2020.

Details of Nomination & Remuneration Committee Meetings attended by the Members are given below:

Sr. No.	Members of Nomination & Remuneration Committee	No. of meetings held	No. of Meetings attended
1.	Mr. K. N. Bhandari, Chairman	2	2
2.	Mr. M. L. Tandon, Member	2	2
3.	Mr. Bimal Thakkar, Member	2	1
4.	Mr. Ashwani Kumar, Member	2	2

The approved Minutes of the Nomination & Remuneration Committee Meetings are perused and noted by the Board of Directors at the subsequent Board Meetings.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulate the criteria for evaluation of independent directors and the Board;
3. Devise a policy on Board diversity;
4. Identify persons who are qualified to become directors and also such persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board, their appointment and removal.

Whether to extend or continue the term of appointment of the independent director is on the basis of the report of performance evaluation of independent directors.

Recommend to the board, all remuneration, in whatever form, payable to senior management.

REMUNERATION/ COMPENSATION POLICY

The Company has a Nomination and Remuneration Committee Charter and Compensation Policy in place. Remuneration policy of the company is designed to create a high-performance culture.

The Remuneration / Compensation / Increments to the Whole Time Director, KMP, Senior Management Personnel is being determined by the Committee and then recommended to the Board. Shareholders' approval is taken as and when required under the Act. The provisions of the Act along with Schedule V are complied.

The Remuneration paid to Executive / Non-Executive Directors is paid as per the Companies Act, 2013. Sitting Fees being paid to Non-Executive/ Independent Directors does not exceed ₹ One lac per meeting of the Board / Committee or such higher amount as may be prescribed by the Central Government from time to time. The Company also reimburses the out of pocket expenses incurred by the Directors for attending such meetings.

Details of Remuneration of Directors paid for the Financial Year 2020-21

Executive Directors

(₹ in Lakhs)

							Exempt Benefits		
Name	Salary & Allowances	Commission	Perquisites (Other than ESOP)	Contribution to Superannuation (Taxable)	ESOP Perks	Total	Contribution to PF	Contribution to Superannuation	Total
Mr. Jay M Mehta, Executive Vice Chairman	302.69	97.85	23.62	25.08	Nil	449.24	Nil	Nil	**449.24**
Mr. M.S. Gilotra, Managing Director	203.55	73.38	15.63	15.48	22.76	330.80	Nil	Nil	**330.80**

The above Executive Directors were appointed for a period of 3 years effective from 1.1.2021 and the appointment(s) can be terminated by either side by giving three months' notice in writing. No Severance fees are applicable to the above Directors.

(*) ESOP is granted at ₹ 10/- (face value of shares). For the exercise period and accrual, details are given under the head 'Employees Stock Option Scheme' in the Directors' Report.

Non-Executive Directors

The Directors were paid sitting fees of ₹ 75,000/- per meeting for attending the meeting of the Board, Audit Committee and Independent Directors Meeting, ₹ 60,000/- for Nomination & Remuneration Committee. The sitting fees is ₹ 30,000/- per meeting for Stakeholders' Relationship & Grievances Committee, CSR Committee, Allotment Committee and Finance Committee or any other Committee of the Board attended by them.

The details of sitting fees paid to Directors are given below: -

Sr. No.	Name of the Directors	No. of Board meeting attended	No. of Committee meetings attended	Total	Amount of Sitting fees paid (₹)
1.	Mr. M. N. Mehta (Chairman)	4	1	5	3,30,000
2.	Mr. M. L. Tandon	3	6	9	6,45,000
3.	Mr. Hemnabh Khatau	4	-	4	3,00,000
4.	Mr. M. N. Rao	4	8	12	7,65,000
5	Mr. Venkatesh Mysore	4	12	16	6,60,000
6.	Mr. K.N. Bhandari	4	3	7	4,95,000
7.	Mr. Bimal R. Thakkar	3	9	12	7,05,000
8.	Mrs. Juhi Chawla Mehta	3	1	4	2,55,000
9.	Mrs. Bhagyam Ramani	4	7	11	5,10,000
10.	Mr. Ashwani Kumar	4	6	10	5,40,000
11.	Mr. M. N. Sarma	3	1	4	3,00,000
12.	Dr. Rahul Gupta IAS (GIIC Nominee)	1	-	-	75,000
	Total				**55,80,000**

STAKEHOLDERS' RELATIONSHIP & GRIEVANCES COMMITTEE

To protect the interest of the stakeholders and to resolve their grievances at the earliest level, the Company has constituted the Committee viz, Stakeholders' Relationship & Grievances Committee which comprises of Mr. Jay Mehta, Mr. M. N. Rao, Mr. Venkatesh Mysore and Mr. M. S. Gilotra. Mr. Venkatesh Mysore is the Chairman of the Stakeholders Relationship & Grievances Committee. Mr. V. R. Mohnot, CFO & Company Secretary is designated as the Compliance Officer who oversees the redressal of the investor grievances.

During the year under review, four meetings of the Committee were held. The meetings were held on 14th May 2020, 03rd August 2020, 23rd November 2020 and 1st February 2021. Details of the meetings attended by the members are given below:

Sr. No.	Members of Stakeholders' Relationship & Grievances Committee	No. of meetings held	No. of meetings attended
1.	Mr. Venkatesh Mysore, Chairman	4	4
2.	Mr. Jay Mehta, Member	4	4
3.	Mr. M. N. Rao, Member	4	3
4.	Mr. M.S. Gilotra, Member	4	3

The Details of complaints attended by the Company's Registrars during the year was as under:

No. of complaints received	No. of Complaints redressed	No. of complaints pending.
Nil	Nil	Nil

The approved minutes of the Stakeholders Relationship & Grievances Committee is circulated and noted by the Board of Directors at the subsequent Board Meetings.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS

a. To resolve the grievances of the Shareholders of the Company including complaints related to transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends.

b. Review of measures taken for effective exercise of voting rights by shareholders.

c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

ALLOTMENT COMMITTEE

The Committee has been constituted for allotment and post-allotment activities of the Company's shares. The scope of work of this Committee is to approve allotment, issue of share certificate / letter of allotment, offer letter and information memorandum.

During the year, the Committee had three meetings which were held on 17th April 2020, 17th August 2020 and 22nd December 2020.

Composition and detail of Allotment Committee Meeting attended by the Members is given below:

Members of the Allotment Committee	No. of meetings held	No. of meetings attended
Mr. Bimal Thakkar, Chairman	3	3
Mr. Venkatesh Mysore, Member	3	3
Mrs. Bhagyam Ramani, Member	3	3
Mr. M. S. Gilotra, Member	3	2

The approved minutes of the Allotment Committee is noted by the Board of Directors at its subsequent Board meeting.

TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS:

a. To recommend to the Board of Directors for issue, offer of company's securities;

b. To carry out all necessary pre and post allotment activities relating to the allotment;

c. To issue certificate, letter of offer, and approving such allotment; and

d. To allot shares to all the eligible employees from time to time who will be exercising the options granted to them under Gujarat Sidhee Employee Stock Option Scheme 2017.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

This "Whistle Blower Policy" of the Company has been established / adopted in terms of the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board & its Powers) Rules, 2014 **read with Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time, which requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for its Directors and Employees, to report genuine concerns, and to freely communicate their concerns about illegal or unethical practices. The Vigil Mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.** The said Policy has been revised in accordance with the Securities and Exchange Board of India (Prohibition Insider Trading) Regulations, 2015 (as amended in December 2018).

This Policy is intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any **instances of leak of unpublished price sensitive information and/ or any** other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting.

The directors and employee(s) may approach the audit committee in the first instance or after bringing it to the attention of the management and not being addressed to concerned persons satisfaction.

The name and e-mail address of the Chairman of the Audit Committee is given below:

Name of the Chairman	Address	Contact No.(s)
Mr. M. N. Rao	Gujarat Sidhee Cement Limited 2nd Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.	022-66365444 sidhee-mum@mehtagroup.com

This policy is applicable to all the directors and employees of the Company. The policy is also posted on the website of the Company at the following link http://gscl.mehtagroup.com/policy/whistle-blower-policy

Transfer of Unclaimed Dividend for 2013/ Equity Shares to IEPF

Investor Education and Protection Fund (IEPF) Authority:

Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof) read with circulars and notifications issued thereunder, all the shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund (IEPF).

During the year, the Company has transferred unpaid and unclaimed dividend of ₹ 15,79,003/- for the financial year 2012-13 and Fraction of shares amount of ₹ 20972/- to IEPF Authority in accordance with the provisions of Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof).

In accordance with the aforesaid provisions, the Company has transferred 866637 equity shares held by 9801 shareholders. Any shareholder whose shares are transferred to IEPF can claim the shares by making an online application in Form IEPF-5 (available on www.iepf.gov.in) along with the fee prescribed to the IEPF authority with a copy to the Company.

GENERAL BODY MEETINGS:

(i) Annual General Meetings

The details of General Meetings of the Company held in last three years are as follows:

Financial Year	Date	Time	Venue	Dividend declared
2019-20	25.09.2020	03.30 p.m.	VC / OAVM	NIL
2018-19	22.08.2019	09.30 a.m.	Registered office of the Company	NIL
2017-18	13.08.2018	10.00 a.m.	Registered office of the Company	NIL

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

Financial Year	Date of AGM	Particulars of Special Resolution
2019-20	25.09.2020	1. Re-appointment of Mr. Jay Mehta, Executive Vice Chairman from 1st January 2021 till 31st December 2023 and payment of remuneration. 2. Re-appointment of Mr. M. S. Gilotra, Managing Director from 1st January 2021 till 31st December 2023 and payment of remuneration. 3. Providing loan / advances to Saurashtra Cement Limited (SCL) to be utilized for the principal business of SCL.
2018-19	21.08.2019	1. Regularize the appointment of Mr. Ashwani Kumar (DIN: 02870681) as an Independent Director for a period of 5 years w.e.f. 12.02.2019. 2. Appointment of Mr. M. N. Sarma (DIN: 06734357) as an Independent Director due to the casual vacancy caused by the resignation of Mr. S. V. S. Raghavan, Independent Director of the Company. 3. Approval for Related Party Transactions (RPT) pursuant to Section 188 of the Companies Act, 2013 and rules made thereunder and applicable SEBI (LODR) Regulation, 2015.
2017-18	13.08.2018	1. Re-appointment of Mr. S. V. S. Raghavan (DIN: 00111019) as an Independent Director of the Company for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024. 2. Re-appointment of Mr. P. K. Behl (DIN: 00653859) as an Independent Director of the Company for another term of five consecutive years with effect from 1st April 2019 to 31st March 2024. 3. Re-appointment of Mr. M. L. Tandon (DIN: 00078923) as an Independent Director of the Company for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024. 4. Re-appointment of Mr. Bimal Thakkar (DIN: 00087404) as an Independent Director of the Company for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024. 5. Re-appointment of Mr. M. N. Rao (DIN: 00027131) as an Independent Director of the Company for another term of five consecutive years with effect from 31st May 2019 to 30th May, 2024.

Financial Year	Date of AGM	Particulars of Special Resolution
		6. Re-appointment of Mr. K. N. Bhandari (DIN: 00026078) as an Independent Director of the Company for another term of five consecutive years with effect from 31st May, 2019 to 30th May, 2024. 7. Re-appointment of Mrs. Bhagyam Ramani (DIN: 00107097) as an Independent Director of the Company for another term of five consecutive years with effect from 4th August 2019 to 3rd August 2024. 8. Payment of Remuneration to Mr. Jay Mehta (DIN: 00152072), Executive Vice Chairman from 1st January 2019 till 31st December 2020. 9. Payment of Remuneration to Mr. M. S. Gilotra (DIN: 00152190), (Managing Director) from 1st January 2019 till 31st December 2020. 10. Approval for Overall Managerial Remuneration payable to Directors including Executive Vice Chairman and Managing Director. 11. Approval for Continuation of holding of office by Mr. M. N. Mehta (DIN: 00632865) as a Non-Executive Chairman of the Company beyond the age of 75 years 12. Approval for Continuation of holding of office by Mr. S. V. S. Raghavan (DIN: 00111019) as a Non-Executive Independent Director of the Company beyond the age of 75 years. 13. Approval for Continuation of holding of office by Mr. M. L. Tandon (DIN: 00078923) as a Non-Executive Independent Director of the Company beyond the age of 75 years. 14. Approval for Continuation of holding of office by Mr. M. N. Rao (DIN: 00027131) as a Non-Executive Independent Director of the Company beyond the age of 75 years 15. Approval for Continuation of holding of office by Mr. K. N. Bhandari (DIN: 00026078) as a Non-Executive Independent Director of the Company beyond the age of 75 years.

No resolutions were put for voting through postal ballot.

(ii) Extraordinary General Meetings

No Extraordinary General Meeting was held during the year.

Special Resolutions

As stated above.

DISCLOSURES:

a) Transactions with Related Party / Material Nature

During the year under review, there were no transactions of material nature with the Promoters, the Directors, Management or the subsidiaries or relatives of the Directors that had potential conflict with the Company. Transactions with related parties are mentioned in Notes forming part of financial statements.

b) Penalties & Strictures

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three (3) years.

c) Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee and Board. The Company has a policy on dealing with the related party transactions. The related party transactions policy is available on the website of the Company. The web-link to the same is http://gscl.mehtagroup.com/policy/related-party-transactions-policy.

d) Disclosure of Accounting Treatment

In preparation of Financial Statements, the Company has followed the Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

e) Disclosure on Risk Management

The Company has laid down procedures on the risk assessment and minimization procedures, which is periodically reviewed by the Company.

f) Code of Conduct

The Board has formulated a Model Code of Conduct for the Board Members and Senior Management of the Company. The Board members and senior management personnel have affirmed their compliance with the code and a declaration signed by them was placed before the Board. A declaration by the Managing Director to the effect that the Board of Directors and the senior management have complied with the code of conduct forms part of this report.

g) CEO / CFO Certification

A CEO / CFO certificate on the Audited / Unaudited Financial Statements of the Company for each quarter and annual financial results were placed before the Board.

h) Policy for preservation of documents

The Company has a policy for preservation of documents in place. The said policy is available at web-link http://gscl.mehtagroup.com/policy/gscl_policy-for-preservation-of-documents

i) Policy for determination of material event and price sensitive information

The Company has a policy for determination of material event and price sensitive information in place. The said policy is available at web-link http://gscl.mehtagroup.com/policy/scl_policy-for-determination-of-event.

j) Policy for determining the Material Subsidiaries

The Company has a policy for determining the "Material Subsidiaries" in place. The said policy is available at web-link http://gscl.mehtagroup.com/policy/material-subsidiary-policy

k) Code of Conduct for Prohibition of Insider Trading

The Company has a policy for Prohibition of Insider Trading as amended from time to time. The said policy is available at web-link http://gscl.mehtagroup.com/policy/code-of-conduct-for-insider-trading

l) Policy and Procedure for Enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information

The Company has a policy for enquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information. The said policy is available at web-link http://gscl.mehtagroup.com/policy/policy-and-procedure-for-enquiry-in-case-of-leak-of-upsi

m) Policy and Procedure for sharing of Unpublished Price Sensitive Information for Legitimate Purpose

The Company has a policy for sharing of Unpublished Price Sensitive Information for Legitimate purpose. The said policy is available at web-link http://gscl.mehtagroup.com/policy/codes-of-fair-disclosure-and-conduct

n) Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace

The Company has in place, a formal policy on **Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace** (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" notified by the Government of India vide Gazette Notification dated 23rd April 2013. Detailed mechanism has been laid down in the policy for reporting of cases of sexual harassment to **'Internal Complaints Committee'** constituted under this policy comprising senior officials (including senior women employee) of the Company and an independent member from NGO, for conducting of inquiry into such complaints, recommending suitable action during the pendency and/or completion of the inquiry including strict disciplinary action including termination of the services.

MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These results are published in Jaihind, Rajkot Edition in Gujarat and in Business Standard, Ahmedabad & Mumbai. The Company has not sent the half yearly report to each household of shareholders. The Company has not made any presentation to the Institutional Investors or Analysts. These results are simultaneously posted on the website of the Company at http://gscl.mehtagroup.com/investors/financials and Electronic Data Information Filing and Retrieval website maintained by SEBI.

GENERAL SHAREHOLDERS INFORMATION:

i)	Audited results for the current Financial Year ended 31st March 2021	29th June 2021	
ii)	Board Meeting for consideration of unaudited results	Quarter I (ending 30.6.2020)	04.08.2020
		Quarter II (ending 30.9.2020)	09.11.2020
		Quarter III (ending 31.12.2020)	01.02.2021
iii)	Annual General Meeting is proposed to be held	Wednesday, September 22, 2021	
iv)	Date of Book closure	Thursday, September 16, 2021 to Wednesday, September 22, 2021 (both days inclusive)	

v) Listing of Equity Shares on the Stock Exchanges at

Sr. No.	Name(s) of the Stock Exchange	Stock Code
a)	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Security Code: 518029 ISIN: INE542A01039
b)	The National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	Stock symbol: GSCLCEMENT

vi) Listing Fees

The Company has paid Listing Fees for the Financial Year 2021-2022 to the BSE Limited and NSE where the Company's shares are listed.

vii) Registrar & Share Transfer Agent

The Company has appointed M/s. Link Intime India Pvt Ltd as Registrar and Share Transfer Agent for transfer of securities held in physical form. The Registrar also accepts and attends to complaints of security holders. Their complaints are given top priority by them and are replied promptly.

No complaint received from the Shareholders / Investors as on 31.3.2021 is pending relating to transfer of security.

viii) Share Transfer System

The share transfers in physical form are processed by the Registrars and Transfer Agents and the share certificates returned within a period of 15 to 20 days from the date of receipt provided that the documents are found to be in order.

The shares held in demat form are transferred electronically through the depositories, i.e., CDSL & NSDL.

ix) Distribution of Shareholding as on 31.3.2021

No. of equity shares held	No. of shareholders	%	No. of shares held	%
1 – 500	47439	88.57	5628360	6.38
501 – 1000	3097	5.78	2573275	2.92
1001 – 2000	1495	2.79	2305510	2.61
2001 – 3000	594	1.11	1535596	1.74
3001 – 4000	212	0.40	769254	0.87
4001 - 5000	208	0.39	992945	1.13
5001 - 10000	285	0.53	2141297	2.43
10001 -above	231	0.43	72255633	81.92
TOTAL	**53561**	**100**	**88201870**	**100.00**

x) Shareholders Profile as on 31.3.2021

Category	No. of share-holders	%	No. of shares held	%
Promoter Group Companies	11	0.02	61890601	70.17
Bodies Corporate	287	0.54	2164119	2.45
NRIs	379	0.71	404846	0.46
FIIs	0	0.00	0	0
Financial Institutions	1	0.00	275	0.00
UTI & Insurance Companies	0	0	0	0
Banks	5	0.01	82137	0.09
Mutual Fund	0	0.00	0	0.00
Foreign Companies	1	0.00	5350	0.01
Foreign Portfolio Investor (Corporate)	-	-	-	-
Indian Public	52877	98.72	23654542	26.82
Total	**53561**	**100**	**88201870**	**100.00**

xi) Dematerialization of shares

As on 31.3.2021, 87748062 equity shares constituting 99.49% of the Company's total paid-up share capital were held in dematerialized form with NSDL and CDSL.

xii) Outstanding GDR or Warrants or any Convertible Instruments, Convertible Debentures etc.

The Company's capital comprises only Equity shares and the Company does not have any outstanding ADRs, GDRs, Warrants or any Convertible instruments. No stock option has been issued by the Company.

xiii) Stock Market price data for the period 2020–2021

The High, Low and Closing prices of the Company's share of the face value of ₹ 10/- each on BSE Limited and National Stock Exchange of India Limited (NSE) Mumbai from April 2020 to March 2021 are as under: -

GSCL Share Price on BSE vis-a-vis BSE Sensex - April 2020-March 2021

(in rupees)

Month	High	Low	Closing	Volume (No. of shares traded)
April 2020	21.50	14.00	18.43	89,400
May 2020	28.65	17.20	24.85	7,82,934
June 2020	34.00	24.00	29.70	20,47,286
July 2020	34.90	28.40	29.40	9,30,359
August 2020	32.20	27.60	28.15	6,45,918
September 2020	29.05	22.55	27.00	2,01,940
October 2020	36.30	27.25	33.80	15,25,843
November 2020	34.60	29.20	32.45	5,68,715
December 2020	40.90	31.35	37.90	20,79,105
January 2021	45.45	36.45	37.55	21,03,019
February 2021	40.80	34.00	36.00	9,86,706
March 2021	40.25	32.10	33.20	6,96,230

GSCL Share Price on NSE vis-a-vis NSE Nifty - April 2020-March 2021

(in rupees)

Month	High	Low	Closing
April 2020	20.45	14.15	18.50
May 2020	28.65	17.10	24.85
June 2020	33.80	23.90	29.65
July 2020	35.00	28.10	29.30
August 2020	32.50	27.45	28.10
September 2020	29.20	26.10	27.05
October 2020	36.25	27.35	33.85
November 2020	34.50	27.00	32.40
December 2020	40.85	31.60	37.85
January 2021	45.50	36.10	37.50
February 2021	40.90	33.20	36.05
March 2021	40.25	32.05	33.20

Plant Location

Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka, Dist: Gir Somnath, Sidheegram, Gujarat – 362275.

Performance in comparison to broad-based indices is given below:

Indices	BSE (Sensex)	GSCL Quote at BSE (₹)
1 April, 2020 (Open)	29505.33	15.10
31 March, 2021 (Close)	49509.15	33.20
Increase / (Decrease)	20003.82	18.10
% Increase / (Decrease)	67.80	119.87

xiv) Address for correspondence

1. **Registered Office :**
   Sidheegram, PO Prashnawada BO
   Via Sutrapada SO Taluka, Dist:
   Gir Somnath, Sidheegram, Gujarat - 362275
2. **Corporate Office**
   2nd Floor, N.K. Mehta International House
   178, Backbay Reclamation,
   Mumbai - 400 020.
   E-mail ID: sidhee-mum@mehtagroup.com
   Shareholder correspondence should be addressed to Registrars & Transfer Agent
   M/s. Link Intime India Pvt Ltd
   (Unit: Gujarat Sidhee Cement Limited)
   C 101, 247 Park,
   L.B.S. Marg, Vikhroli (West),
   Mumbai – 400 083.
   Tel. 022- 49186000, Fax: 022-49186060
   Contact Person: Mr. Satyan Desai
   E-mail: mumbai@linkintime.co.in

   Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of Bank Account / Bank nomination etc.

xv) Mandatory requirement of PAN

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Registrars & Transfer Agent while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

OTHER DISCLOSURES

(a) Details of utilization of funds raised through preferential allotment of qualified institutions placement as specified under regulation 32(7A)

The details of utilization of funds has been included in the disclosures as required as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI Requirements forms part of the Directors Report as **Annexure J.**

(b) A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the Board /Ministry of Corporate Affairs or any such statutory authority.

The said certificate received from M/s. Ragini Chokshi & Co., Practicing Company Secretaries forms part of the Directors Report as **Annexure F.**

(c) Secretarial Compliance Report

The Company has received a Secretarial Compliance Report for the year ended 31st March 2021 from M/s. Ragini Chokshi & Co, Practicing Company Secretaries, pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 and forms part of the Directors Report as **Annexure K.**

(d) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons thereof.

The Board has accepted all the recommendations from the Committees.

(e) Total fees for all the services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.

During the year, the Company has paid total fees of ₹ 21.97 lakhs to the Statutory Auditor.

(f) Disclosures with respect to demat suspense account / unclaimed suspense account.

The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: **None**

b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **None**
c. Number of shareholders to whom shares were transferred from suspense account during the year: **None**
d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: **None**
e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **N.A.**
g) The security of the Company was never suspended from trading during the year 2020-21.

NON-MANDATORY REQUIREMENTS

a) Chairman's Office

The Corporate Office of the Company supports the Chairman in discharging the responsibilities.

b) Shareholders Rights

As the Company's quarterly results are published in English Newspaper having circulation all over India and in a Gujarati Newspaper widely circulated in Gujarat, the same are not sent to each Shareholder.

c) Auditor's Opinion

The Company's Standalone Financial Statements for the year ended 31st March 2021 does not have any qualification.

d) Separate posts for Chairperson and Chief Executive Officer

The position of the Chairman of the Board of Directors and the Chief Executive Officer are separate.

e) Reporting of internal auditor

The Proprietor of Internal Auditor reports directly to the Audit Committee.

Code for Prohibition of Insider Trading

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

SUBSIDIARY COMPANIES:

The Company has material non-listed Indian Subsidiary Company as on 31.3.2021 namely M/s. Villa Trading Co. Private Limited. The Company has appointed Mr. Bimal Thakkar, an Independent Director on the Board of subsidiary company.

For and on behalf of the Board of Directors

Jay Mehta	**M.S. Gilotra**
Exe. Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place: Mumbai
Date: June 29, 2021

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management have confirmed compliance with the Code of Conduct and Ethics for the Financial Year ended 31st March 2021.

For and on behalf of the Board of Directors

Jay Mehta	**M.S. Gilotra**
Exe. Vice Chairman	Managing Director
(DIN: 00152072)	(DIN: 00152190)

Place: Mumbai
Date: June 29, 2021

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Gujarat Sidhee Cement Limited

1. We, Bansi S. Mehta & Co, Chartered Accountants, the Statutory Auditors of Gujarat Sidhee Cement Limited ("the Company"), have examined the compliance of conditions of Corporate Governance, for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting records and documents.

AUDITOR'S 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 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 Purpose 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 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 paragraphs C, D and E of Schedule V of the SEBI 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.

RESTRICTION ON USE

9. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACO2836

PLACE : Mumbai
DATED : June 29, 2021

ANNEXURE-C

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

No. of Options outstanding at the beginning of the period	16,73,376
No. of Options forfeited/lapsed during the year	89,403
No. of Options vested during the year	10,37,818
No. of Options exercised during the year	1,31,430
No. of shares arising as a result of exercise of options	1,31,430
Exercise Price	₹10/- per option
Option cancelled	Nil
Variation of terms of Option	None
Money realized by exercise of options	₹13,14,300/-
No. of options outstanding at the end of the year	14,52,543
No. of options exercisable at the end of the year	14,52,543

Employee wise details granted to :

Key Managerial Personnel

Name	Designation	No. of Options vested on 8th February 2019, 8th February 2020 and 8th February 2021	No. of options exercised	No of shares allotted
M. S. Gilotra	Managing Director	4,30,769	2,22,154	2,22,154
V.R. Mohnot	CFO & Company Secretary	7,14,093	4,35,651	4,35,651
Dinesh Randad	Director (Works)	2,85,015	1,88,055	1,88,055

Employees to whom more than 5% options granted during the year:

Name	Designation	Number of Options granted
	NIL	

Employees to whom options more than 1% of issued capital granted during the year –

Nil

Utilisation of Funds :

During the year, the Company has utilized the entire amount of ₹.13,14,300/- received towards allotment of shares to the eligible employees under Gujarat Sidhee Employee Stock Option Scheme 2017 towards working capital of the Company.

Annexure-D

The Board of Directors
Gujarat Sidhee Cement Limited
2nd Floor, N. K. Mehta International House
178, Backbay Reclamation
MUMBAI 400 020.

Independent Auditor's Certificate for compliance of Gujarat Sidhee Employee Stock Option Scheme, 2017 in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

1. We have been requested by **Gujarat Sidhee Cement Limited** ("the Company"), having its registered office at Sidheegram, PO – Prashnavada BO, (Tal: Sutrapada, Pin Code: 362275, Dist. Gir Somnath, Gujarat, to certify whether the Gujarat Sidhee Employees Stock Option Scheme, 2017 ("the Scheme") approved at the Board Meeting held on May 24, 2017 and at the Annual General Meeting held on July 25, 2017 is in compliance with Regulation of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") as amended from time to time. This certificate is required for the purpose of onward submission at the ensuing Annual General Meeting of the Company.

Management's Responsibility

2. The responsibility for the preparation of the Scheme, its compliance with the Regulations and to have appropriate special resolutions by the shareholders of the Company, is that of the Management of the Company. This responsibility includes the creation and maintenance of all accounting and other relevant supporting records and documents to give complete and correct information regarding options granted to the employees, its disclosures in the Financial Statements and Report of the Board of Directors, including the compliance with the applicable Indian Accounting Standards, and Other Generally Accepted Accounting Principles. It also includes placing of all the relevant information in respect of the Scheme before the Shareholders at the ensuing Annual General Meeting.

Auditor's Responsibility

3. Pursuant to the requirements of the Regulation 13 of the Regulations, it is our responsibility to provide a reasonable assurance whether the Scheme is in compliance with the Regulations.
4. The financial statements for the year ended March 31, 2021 have been audited by us on which we have issued an unmodified audit opinion vide our report dated June 29, 2021. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
5. The following documents have been furnished to us by the Company :
   a. Copy of the Gujarat Sidhee Employee Stock Option Scheme 2017;
   b. Copy of the special resolutions passed by the shareholders of the Company at the General Meeting held on July 25, 2017;
   c. The first, second and third tranches got vested on February 8, 2019, February 8, 2020 and February 8, 2021 respectively;
   d. Details of eligible directors/employees, status of options granted, vested, exercised, ~~forfeited~~, lapsed and expired along with the copies of minutes of Allotment Committee for ~~grant of options~~ allotment of shares to the directors and employees;
   e. During the Financial Year 2020-21, 89,403 options granted were lapsed;
   f. In-principle approvals dated September 18, 2018 and May 7, 2018 from the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) respectively before exercise of option;
   g. Details of Approvals received from Bombay Stock Exchange Limited and National Stock Exchange of India Limited for Listing & Trading for allotment of equity shares of the company issued pursuant to ESOP during the Financial Year 2020-21 are as under :

Sr.No.	Date of allotment	No. of shares allotted	Date of approval from BSE & NSE
1.	April 17, 2020	6,47,051	May 22, 2020
2.	August 17, 2020	36,430	September 15, 2020
3.	December 22, 2020	93,000	January 13, 2021

h. Written representation from the management with respect to compliance of the conditions mentioned in the Regulations.

6. We have performed the following procedures :

a. Verified the special resolutions passed by the shareholders at the General Meetings is in accordance with the Regulation and resolutions passed;

b. Verified the details of options granted, vested, exercised, ~~forfeited~~, lapsed and expired to directors/employee along copies of the Minutes of Allotment Committee for ~~grant of options~~ allotment of shares to the directors and employees;

c. Verified the ESOP data with the Audited Financial statements of the financial year 2020-21 and other relevant supporting documents and records of the Company; and

d. Reviewed the relevant provisions of the Regulations to verify compliance.

7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI ("the Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the said Regulations. Our responsibility in this regard is neither an audit nor an expression of opinion on the financial statements of the Company.

8. 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 issued by the ICAI.

Opinion

9. Based on our examination, as above, and the information and explanations given to us and the representation provided by the Management, we hereby certify that the Company has implemented the Scheme in accordance with the Regulations to the extent applicable and the resolutions passed by the shareholders in its Annual General Meeting held on July 25, 2017.

Restriction on Use

10. The certificate is issued solely for the purpose of onward submission before the shareholders in the Annual General Meeting at the request of the Management of the Company. This certificate should not be used by any other person or for any other purpose other than the addressees of this Certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Bansi S. Mehta & Co. shall not be liable to the Company, the shareholders or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For **BANSI S. MEHTA & Co.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACN7034

Place : Mumbai
Dated : June 29, 2021

Annexure E

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis –
   Not Applicable as all the contracts are at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis
   I. (a) Name(s) of the related party and nature of relationship
   Saurashtra Cement Limited – Group Company.
   (b) Nature of contracts/arrangements/transactions
   a. Sale / Purchase of clinker and cement at the rates fixed by the Audit Committee.
   b. Availing, rendering services like administration, human resources and sharing of common expenses on agreed formula etc.
   c. Brand fee for use of Brand "Hathi" as per Brand valuation report.
   All above transactions are at prevailing market price and at arms length basis.
   (c) Duration of the contracts/arrangements/transactions
   Nil
   (d) Salient terms of the contracts or arrangements or transactions including the value if any.
   Please refer item (b) above.
   (e) Date(s) of approval by the Board, if any.
   19th May 2020
   (f) Amount paid as advances, if any.
   NIL
   II. (a) Name(s) of the related party and nature of relationship
   Mehta Private Limited – Group Company
   (b) Nature of contracts/arrangements/transactions
   Utilisation of their residential premises as guest house for stay of Directors / Senior Executives / Consultants of the Company.
   (c) Duration of the contracts/arrangements/transactions
   On going with the approval of the Audit Committee and Board.
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any.
   Please refer item (b) above.
   (e) Date(s) of approval by the Board, if any.
   19th May 2020.
   (f) Amount paid as advances, if any.
   NIL
   Form shall be signed by the persons who have signed the Board's report.

For and on behalf of the Board of Directors

M.S. Gilotra	**Jay Mehta**
Managing Director	Exe. Vice Chairman
(DIN: 00152190)	(DIN: 00152072)

Place: Mumbai

Date: June 29, 2021

ANNEXURE F

Disclosure pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Directors seeking appointment / re-appointment at the 47th Annual General Meeting:

Name of Director	Mrs. Juhi Chawla Mehta
Date of Birth	13th November 1967
Date of Appointment	Initially joined the Board on 31.05.2014
Expertise in specific General Functional area	Cine Artist
Qualification	B. Com (Honors), University of Mumbai
List of outside Directorships held (Public Limited Companies)	Nil
Chairman/ Member of the Committee of the Board of Directors of the Company	Member of Corporate Social Responsibility (CSR) Committee of the Board.
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he/ she is a director	Nil
a) Audit Committee	Nil
b) Members Committee	Nil
Shares held by the Directors in the Company	78600

ANNEXURE G

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 of,

GUJARAT SIDHEE CEMENT LIMITED

Sidheegram, PO Prashnawada

BO Via Sutrapada SO Taluka, Dist Gir Somnath Sidheegram Junagadh GJ362275.

We have examined the relevant registers, records,forms,returns and disclosures received from the Directors of **GUJARAT SIDHEE CEMENT LIMITED** having CIN L26940GJ1973PLC002245 and having registered office at At Sidheegram,PO Prashnawada BO Via Sutrapada SO Taluka, Dist Gir Somnath Sidheegram Junagadh GJ362275 (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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In my/our opinion and to the best of my/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 furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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.

Sr. No	Nameof Director	DIN	Date of Appointment in Company
1.	Kailash Nath Bhandari	00026078	31/05/2014
2.	Muttavarapu Nageswara Rao	00027131	31/05/2014
3.	Manoharlal Tandon	00078923	08/07/1987
4.	Bimal Ramesh Thakkar	00087404	25/10/2008
5.	Bhagyam Ramani	00107097	31/05/2014
6.	Jay Mahendra Mehta	00152072	30/04/1992
7.	Mohinderpal Singh Gilotra	00152190	11/12/1998
8.	Juhi Chawla Mehta	00161706	31/05/2014
9.	Mahendra Nanjibhai Mehta	00632865	07/12/1984
10.	Venkatesh Satyaraj Mysore	01401447	29/10/2010
11.	Hemnabh Ranvir Khatau	02390064	25/10/2008
12.	Ashwani Kumar	02870681	12/02/2019
13.	Nagaraja Sarma Maddipatla	06734357	26/05/2019
14.	Rahul Babulal Gupta	08572955	19/05/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management to the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither anassurance 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 **Ragini Chokshi & Co.**
Ragini Chokshi
(Partner)
COP no.1436
Membershipno:2390
UDIN:F002390C000343720

Place : Mumbai
Date : 19-05-2021

Annexure H

Information 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 given below:

a. Ratio of the remuneration of each Director / KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all the employees of the Company for the Financial Year 2020-2021	606423
Percentage increase in the median remuneration of employees in the Financial Year	10.19
Number of permanent employees on the rolls of the Company as on 31st March 2021	373

Name of Director and KMP	Ratio of remuneration to median remuneration of all employees(a)	% increase in remuneration in the financial year 2020-2021	Notes
Executive Director			
Mr. Jay Mehta, Executive Vice Chairman	57.94 : 1	0.32%	
Mr. M. S. Gilotra, Managing Director	38.70 : 1	0.29%	# & @
Other KMPs			
Mr. V. R. Mohnot, CFO & Company Secretary	25.45 : 1	6.40%	@

a) The ratio of remuneration to the median remuneration is based on the remuneration paid during the period 1st April 2020 to 31st March 2021.

(#) In accordance with all applicable approvals; includes annual increments and payment of HRA in place of rent free accommodation.

(@) Employees who were granted and exercised options in the form of ESOPs in the year 2020-21 is not included, else the data would have been non-comparable.

b. 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:

The average percentage increase in the remuneration of employees is around 11.66%. Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel is in line with the industry practice and is within the normal range.

c. The remuneration is as per the remuneration policy of the Company.

Annexure I

FORM NO MR-3

SECRETARIAL AUDIT0R REPORT

Pursuant to section 204(1) of the Companies Act,2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules,2014]

FOR THE PERIOD 01-04-2020 TO 31-03-2021

To,
The Members,
GUJARAT SIDHEE CEMENT LIMITED
At Sidheegram,PO Prashnawada
BO Via Sutrapada SO Taluka, Dist. Gir Somnath Sidheegram Junagadh GJ 362275.

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT SIDHEE CEMENT LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **GUJARAT SIDHEE CEMENT LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering 1st April, 2020 to 31st March, 2021complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **GUJARAT SIDHEE CEMENT LIMITED** for the audit period 1st April, 2020 to 31st March, 2021 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act,1956 ('SCRA') and the rules made 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 extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - (Not Applicable to the Company during the Audit Period)

(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 (Listing Obligation and Disclosure Requirement) Regulations, 2015 and as amended from time to time;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011and as amended from time to time;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015 and as amended from time to time;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and as amended from time to time - (Not Applicable to the Company during the Audit Period)

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and as amended from time to time;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008 and as amended from time to time - (Not applicable as the Company has not issued any debt securities during the period under review.)

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - (Not applicable as the Company is not registered as Registrar an Issue and Share Transfer Agent during the financial year under review)

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable as the Company has not delisted its equity shares from any stock exchange during the period under review)

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The Mines Act,1952 and Mines Rules1955.
2. Metalliferous Mines Regulation (MMR-1961).
3. The Limestone & Dolomite Mines Labor Welfare Fund Act,1972 & Rules1973.
4. Mineral Conservation & Development Rules – 2017.
5. Cement Cess Rule,1993
6. Cement (Quality Control) Order, 2003

Based on the Compliance Certificates obtained by the Company from the various functional heads and Factory Managers, we relied on the Compliances of the above mentioned statutes.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered in to by the Company with Stock Exchanges as specified in the Securities Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. As per Sub Regulation 6 of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement)Regulations, 2015, read with sub-para 4 of Para A of Schedule III, there was a delay in submitting the disclosure for the Board Meeting held on 19th May, 2020 where Financial Results were considered.

   However, the Company provided the explanation that such delay was due to technical issue on the part of Stock Exchanges and due to the COVID19 Pandemic situation prevailing in the country.

   We further report that

   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.

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

   During the reporting period, following changes took place in Board of Directors of the Company:

   1. Dr. Rahul Babulal Gupta was appointed as Non-Executive Director Nominated by GIIC Limited with effect from 19th May,2020.

      Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

   We further report that during the audit period the company has following specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company has allotted 6,47,051 Equity Shares at the face value of ₹ 10/- each on 17th April, 2020 to employees eligible under "Gujarat Sidhee Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
2. The Company has allotted 36,430 Equity Shares at the face value of ₹ 10/- each on 17th August, 2020 to employees eligible under "Gujarat Sidhee Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
3. The Company has allotted 93,000 Equity Shares at the face value of ₹ 10/- each on 22nd December, 2020 to employees eligible under "Gujarat Sidhee Employee Stock Option Scheme 2017" pursuant to the options exercised by them.
4. Scheme of Amalgamation of Villa Trading Company Private Limited (VTCPL), wholly owned subsidiary, and Bhadra Textiles and Trading Private Limited (BTTPL), holding company, with the Company was in the process of approval by NCLT during the audit review period.

Place: Mumbai
Date: 19/05/2021

For Ragini Chokshi & Co.
Company Secretaries
Ragini Chokshi
(Partner)
C.P.No: 1436
FCS No: 2390
UDIN:F002390C000343709

Annexure J

GUJARAT SIDHEE CEMENT LIMITED

ANNUAL REPORT ON CSR ACTIVITIES

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

   Corporate Social Responsibility (CSR) is a broad concept that can take many forms depending on the company and industry. Through CSR programs, philanthropy, and volunteer efforts, businesses can benefit society while boosting their brands.

   As important as CSR is for the community, it is equally valuable for a company. CSR activities can help forge a stronger bond between employees and corporations, boost morale and help both employees and employers feel more connected with the world around them.

   Your Company has always laid emphasis on progress with social commitment. Your Company believes strongly in its core values of empowerment and betterment of not only the employees but also its communities around. Your Company has undertaken projects in the area of promoting education, healthcare, environment sustainability, rural development etc. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.

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.	Mr.Jay Mehta	Executive Vice Chairman	1	1
2.	Mrs.Juhi Chawla Mehta	Non-Independent Director	1	1
3.	Mr. Bimal Thakkar	Independent Director	1	1
4.	Mr. M.S. Gilotra	Managing Director	1	1

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

   The Composition of the CSR Committee is available at http://gscl.mehtagroup.com/committees and CSR Policy is available at http://gscl.mehtagroup.com/policy/csr-policy

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).

   Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	**Not applicable**		
2			
3			
	TOTAL		

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

   ₹ 2805.51 lakhs

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

   ₹ 56.11 lakhs

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

   Nil

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

   Nil

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

   ₹ 56.11 lakhs

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number.
1.												
2.												
	TOTAL	Not applicable										

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Amount spent for the project (in ₹ lakhs).	Mode of implementation- Direct (Yes/No).	Mode of implementation Through implementing agency	
				State	District			Name.	CSR registration number
1.	Health Care Project	PM Cares Fund for COVID 19	Yes	Gujarat		50.00	Yes	N.A.	N.A.
2.	Health Care Project	Distribution of PPE Kits	Yes	Gujarat	Gir Somnath	5.00	Yes	N.A.	N.A.
3.	Rural Development Project	Civil Work for Roof Sheeting at Cattle yard (Cow House) at Morasa Village	Yes	Gujarat	Gir Somnath	2.79	Yes	N.A.	N.A.
	TOTAL					**57.79**			

(b) Amount spent in Administrative Overheads - Nil

(c) Amount spent on Impact Assessment, if applicable- Nil

(d) Total amount spent for the Financial Year - (8b+8c+8d+8e) ₹57.79 lakh

(e) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ in lakhs.)
(i)	Two percent of average net profit of the company as per section 135(5)	56.11
(ii)	Total amount spent for the Financial Year	57.79
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.68
(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)]	Nil

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			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2017-18	Not Applicable					
2.	2018-19						
3.	2019-20						
	TOTAL						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1.		**Not applicable**						
2.								
3.								
	TOTAL							

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). – Not applicable

    (a) Date of creation or acquisition of the capital asset(s). **N.A.**

    (b) Amount of CSR spent for creation or acquisition of capital asset. **N.A.**

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

    N.A.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

    N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

    N.A.

For and on behalf of the Board of Directors

Place: Mumbai
Date: June 29, 2021

Jay Mehta
Exe. Vice Chairman
(DIN: 00152072)

M.S. Gilotra
Managing Director
(DIN: 00152190)

ANNEXURE K

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation of Energy :

a) Steps taken for impact on Conservation of energy:

1. 3 nos. VFD provided in Dust Collector Fan for Silo No. 1/2/3 to conserve Energy by reduction in speed of Fan Motor. (Saving of 10 to 12 KW per Hour for all 3 Fans)
2. MV Drive for PH Fan installed for reduction in speed as per process requirement and estimated saving is around 0.5 Unit Per tonne of Cement
3. By maintaining PF above 95% to get direct rebate on DISCOM Bill i.e. ₹38.53 Lacs by reduction in KVAR
4. By reduction in MD from 22000 KVA to 20000 KVA to save ₹ 1.29 Cr. For FY 2020-21
5. By utilizing Night Hour Benefit, we saved ₹ 1.25 Cr. to avoid Peak hour Congestion.
6. Whole Plant Load taken on 1 no. Power Transformer & WHRS to save Transformer Losses (Self) @ 85 KW per Hour

b) Steps taken by the Company for utilizing alternate sources of energy:

1. Used 981 MT Waste Liquid as AFR.
2. Additional 2.2 MW Wind Power Supply started from December'2020 besides 1 no x2.2 MW WTG

c) The capital investment on energy conservation equipment:

1. Successfully installed and commissioned X-Ray Analyzer Machine in Oct' 2020 for quick and reliable Raw Materials and Cement Testing.
2. Capital Investment on MV Drive for PH Fan

B. TECHNOLOGY ABSORPTION

a. efforts made towards technology absorption:

Utilization of alternate sources of energy like wind, solar energy and waste heat recovery.

b. Benefits derived like production improvement, cost reduction, product development or import substitution:

1. Reduction in Energy Conservation, Heat Consumption and Reduction in Dust Emission.
2. Reduction in Dust emission in Cement Mill No. 1 & 2 and Cooler.

c. In case of imported technology (imported during the last three years reckoned from beginning of the financial year):

1. Complete automation of Lime stone crusher has been done through ABB DCS (Switzerland) by replacing obsolete manual mimic panel in March 2021.
2. Successfully installed and commissioned New Generation MV Drive System (Hitachi Japan) by replacing old GRR Technology in PH Fan in Nov'2020.
3. Kiln Girth gear old and obsolete PLC replace and commissioned with Allen Bradley PLC (USA) in Sept'2020.

d. Expenditure incurred on research and Development (R&D):

Nil

C. FOREIGN EXCHANGE AND OUTGO:

Total Foreign Exchange used and earned.

	Current year 2020-21 (₹ in lacs)	Previous Year 2019-20 (₹ in lacs)
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	7,990.14	6,868.55

ANNEXURE L

SECRETARIAL COMPLIANCE REPORT

OF GUJARAT SIDHEE CEMENT LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Under Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined:

(a) all the documents and records made available to us and explanation provided by GUJARAT SIDHEE CEMENT LIMITED ("the listed entity")

(b) the filings/ submissions made by the listed entity to the stock exchanges

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

(a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and as amended from time to time; **(Not Applicable to the Company during the Audit Period)**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and as amended from time to time;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(e) Securities and Exchange Board of lndia (Share Based Employee Benefits) Regulations, 2014 and as amended from time to time;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and as amended from time to time; **(Not Applicable to the Company during the Audit Period)**

(g) Securities and Exchange Board of India (Issue and Listing of Non—Convertible and Redeemable Preference Shares) Regulations,2013; **(Not Applicable to the Company during the Audit Period)**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time; and based on the above examination, We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/Remarksof the Practicing Company Secretary
1	As per Sub Regulation 6 of Regulation 30 of SEBI LODR Regulations,2015, disclosure with respect to events specified in sub-para 4 of Para A of Schedule III shall be made within thirty minutes of conclusion of the Board Meeting.		There was a delay in submitting the disclosure for the Board Meeting held on 19th May, 2020 where Financial Results were considered.However the Company provided the explanation that such delay was due to some technical issue on the part of Stock Exchanges and due to the COVID19 Pandemic situation prevailingin the country.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of actions taken E.g. fines,warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary
Not Applicable during the year under review				

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended… (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity Not Applicable during the year under review
Not Applicable during the year under review				

For Ragini Chokshi & Co.

Ragini Chokshi
(Partner) Membership No: 2390
CP No: 1436
UDIN: F002390C000343711

Date: 19/05/2021

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Gujarat Sidhee Cement Limited

Report on the Audit of the Standalone Financial Statements

OPINION

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

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

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, for the year ended March 31, 2021 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

Key Audit Matter	How was the matter addressed in our audit
Rebates, Discounts and Incentives The Company sells its products through various channels such as dealers and commission agents (customers) and provide various rebates, discounts and incentives payable to them under various marketing schemes. Revenue is recognised net of rebates, discounts and incentives based on the arrangement with customers. Rebates, discounts and incentives to customers are administered through various schemes. Amounts involved for such rebates, etc. are material items, voluminous and complex, and also involves significant judgment and estimates. The value of rebates, discounts and incentives together with the level of judgment involved make its accounting treatment a key audit matter.	Our audit procedures included the following : ● Assessed the design and implementation of controls from the management relating to recording of rebates, discounts and incentives based on estimation of revenue and tested the operating effectiveness of such controls. ● Tested the inputs used in the estimation of revenue in context of incentives and selecting samples of revenue transactions and circulars to re-check that rebates, discounts and incentives were calculated in accordance with the eligibility criteria mentioned in the scheme circular. ● Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes.

[Refer Notes 1.11 and 25 to the standalone financial statements.]	• Review of inputs used in calculating the amount and in some cases, re-performed the calculation. • Verification of appropriate authorisation. • Analysed past trends by comparing actuals with the estimates of earlier periods. • Assessed the disclosures rebates, discounts and incentives in accordance with the requirements of Ind AS 115 on "Revenue from Contracts with Customers".

Deferred Tax Assets ("DTA") on MAT Credit Entitlement, Unabsorbed Depreciation and Business Losses The Company had recognised MAT Credit Entitlement in earlier years and reflect the same as DTA and during the year, DTA for a portion of MAT Credit have been utilised and hence, reversed. The recognition of MAT Credit as DTA was on the basis that it is probable that future taxable profits will be available against which such tax credits can be utilised. The Company had recognised DTA in earlier years on carried forward business losses and unabsorbed depreciation; the carried forward business losses and a portion of unabsorbed depreciation were set off against the profits available during the immediate previous year and the balance of unabsorbed depreciation has been set off against the profits during the year and accordingly, DTA on unabsorbed depreciation have been utilised and reversed. Such recognition and reversal of DTA is a key audit matter as the determination that it is probable that future taxable will be available, that is, the recoverability of such tax credits, of MAT Credit, carried forward business losses and unabsorbed depreciation, within the allowed time frame, involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgments in the interpretation of tax regulations and tax positions adopted by the Company. [Refer Notes 1.15, 18 and 33 to standalone financial statements]	Our audit procedures included the following : • Considered the Company's accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 on "Income Taxes". • Evaluated the Company's tax positions by comparing it with prior years and past precedents. • Evaluated the estimates of profitability made by the management on the basis of which it is considered probable that the Company will have sufficient taxable income against which the tax credits will be utilised. • Discussed with the management the future business plans and financial projections on which the estimate of profitability is made. • Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan and projections used for impairment assessment where applicable. • Assessed the disclosures in accordance with the requirements of Ind AS 12 on "Income Taxes".
Physical Verification of Inventories The Company has inventories that consist of its raw materials, packing materials, work-in-progress, finished goods, stores and spares and fuel. The Company has its manufacturing operations at one location and finished goods are at its manufacturing unit as also depots. Its inventories, other than finished goods and those in transit, are at its manufacturing unit; finished goods are at its manufacturing unit as well as depots. The management of the Company carried out physical verification of its inventories at the year-end in our virtual presence via video call since due to various restrictions imposed due to COVID-19 outbreak, it was impractical for us auditors to physically attend the inventory counting. We performed the alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories, that is, for physical verification of inventories.	Our alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories include the following : • Evaluated the control design in respect of inventory process and testing whether such controls have operated effectively during the period of audit. • Obtained details/documents of existence of physical inventories as carried out by the management at the year-end. • Observed the inventory counting remotely at the year-end via video call; considered the related practical constraints while counting remotely.

This matter is considered to be key audit matter given the circumstances of COVID-19 vis-à-vis non-COVID-19 scenario. [Refer Notes 1.7 and 7 to the standalone financial statements regarding accounting policy and the carrying amounts of inventories]	● The count was carried for all items of inventories on sample basis and in some cases of on the best judgment basis as also based on previous experience of conducting inventory count at the earlier date. ● Related documents were verified for the existence of inventories at the year-end. ● Employed appropriate cut-off procedures as also verified documentary records for inventories in-transit.
Uncertain tax positions **Direct and Indirect Taxes** The Company has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgment to determine the possible outcome based on which accounting treatment is given to the disputed amount. These matters are considered to be key audit matter given the magnitude of potential outflow of economic resources and uncertainty of potential outcome. [Refer Notes 22 and 34 to the standalone financial statements.]	Our audit procedures include the following : ● Obtained details of uncertain tax position and gained understanding thereof. ● Obtained details of tax assessments and also demands raised. ● Read and analysed relevant communication with the authorities and legal consultants. ● Considered the legal advice obtained by the management on possible outcome of the litigation. ● Discussed with senior management and evaluated management's assumptions regarding provisions made. ● Assessed the disclosures in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for 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, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of written representations received from the directors as on March 31, 2021 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 internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   g. With respect to the matters to be included in the Auditor's Report in accordance with requirement 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 during the current year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

   i. The Company 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 derivative contracts for which there were any material foreseeable losses, as required under the applicable law or accounting standards;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACL3352

PLACE : Mumbai
DATED : June 29, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Standalone Financial Statements for the year ended March 31, 2021.

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of **Gujarat Sidhee 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 Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that :

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. 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

c. 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 with reference to Financial Statements

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACL3352

PLACE : Mumbai
DATED : June 29, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Financial Statements for the year ended March 31, 2021.

Report on the Companies (Auditor's Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Gujarat Sidhee Cement Limited ("the Company")

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE").

b. PPE have been physically verified by the management according to a phased programme designed to cover all the PPE over a period of three years, which in our opinion, provides for physical verification of all the items of PPE at reasonable intervals. Pursuant to the programme, a portion of the items of PPE have been verified by the management during the year, and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in Note 2 to the standalone financial statements, are held in the name of the Company.

ii. Inventories other than stocks-in-transit have been physically verified by the management during the year. For stocks-in-transit at the year-end, the necessary documentary evidences have been obtained. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, reporting requirements as per the provisions of Clause 3(iii) [(a) to (c)] of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly, paragraph 3(v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, is not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of cement manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.

vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable to it, with the appropriate authorities. There are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they become payable.

b. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, as may be applicable, given herein below are the details of dues of Income-tax, Sales-tax, Duty of Customs, Duty of Excise, Value Added Tax, which have not been deposited on account of disputes and the forum where the dispute is pending :

Name of the Statute	Forum where the dispute is pending	Nature of Dues	Period to which amount relates	Amounts ₹ in lakhs
Customs Act, 1962	Customs, Excise and Service Tax Appellate Tribunal	Customs Duty	1995-96	35.85
	Customs, Excise and Service Tax Appellate Tribunal	Customs Duty and Penalty	2012-13	420.59 (*42.62)
Central Excise Act, 1944	Customs, Excise and Service Tax Appellate Tribunal	Excise Duty	1992-93	36.72
	Customs, Excise and Service Tax Appellate Tribunal	Excise Duty and Penalty	2008-09 to 2011-12 and 2013-14 to 2016-17	3,211.07 (*123.39)
	Commissioner (Appeal), GST Junagadh	Excise Duty and Penalty	2017-18	23.94 (*2.98)
	Commissioner / Add. Commissioner, Central Excise	Excise Duty and Penalty	2009-10, 2010-11 and 2012-13	495.34(*4.95)
	Joint Commissioner, Central Excise	Excise Duty and Penalty	2013-14	5.85(*1.11)
Central Excise / CENVAT Credit Rules, 2004	Customs, Excise and Service Tax Appellate Tribunal	Service Tax and Penalty	2012-13 and 2013-14	138.36(*5.37)
Rajasthan Sales Tax Act, 1994	Rajasthan High Court	Sales Tax and Penalty	1996-97	24.73
Gujarat Sales Tax Act, 1961	Joint Commissioner (A), Rajkot	Sales Tax, Interest and Penalty	2002-03 to 2004-05	121.21(*37.61)
Gujarat Value Added Tax Act, 2003	Joint Commissioner (A), Rajkot	Value Added Tax, Interest and Penalty	2006-07 and 2007-08	321.88(*54.23)
Maharashtra Value Added Tax Act, 2002	Joint Commissioner (A), Mumbai	Value Added Tax and Interest	2009-10	3.22
Income-tax Act, 1961	CIT (A), National Faceless Appeal Centre (NFAC)	Income Tax and Interest	2017-18	302.30(*75.57)

*indicates amount deposited or paid under protest.

viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.

ix. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those are raised.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration during the financial year 2020-21 in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with any of the directors or any persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACL3352

PLACE : Mumbai
DATED : June 29, 2021

Standalone Balance Sheet as at March 31, 2021

	Note	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	2	**41,504.77**	41,631.96
(b) Capital Work-in-progress	2	**11.20**	100.70
(c) Right-of-use Assets	2	**95.59**	315.45
(d) Other Intangible Assets	2	**12.74**	13.23
(e) Intangible Assets under Development	2	**76.75**	-
(f) Financial Assets			
i. Investments	3	**7,901.76**	7,904.01
ii. Loans	4	**86.80**	65.22
iii. Other Financial Assets	5	**56.61**	367.44
(g) Other Non-current Assets	6	**233.59**	574.32
Sub-total		**49,979.81**	50,972.33
Current Assets			
(a) Inventories	7	**7,178.93**	6,276.87
(b) Financial Assets			
i. Trade Receivables	8	**1,771.02**	2,122.25
ii. Cash and Cash Equivalents	9	**213.27**	120.88
iii. Bank Balances other than ii. above	10	**8,021.61**	5,182.58
iv. Loans	11	**19.61**	8.81
v. Other Financial Assets	12	**210.25**	212.34
(c) Other Current Assets	13	**533.67**	555.99
Sub-total		**17,948.36**	14,479.72
Total Assets		**67,928.17**	65,452.05
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	**8,825.49**	8,747.84
(b) Other Equity	15	**35,534.74**	32,622.33
Sub-total		**44,360.23**	41,370.17
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	**1,267.99**	2,096.20
ii. Lease Liabilities	41	**21.76**	194.33
(b) Provisions	17	**1,104.12**	1,107.53
(c) Deferred Tax Liabilities (Net)	18	**5,540.70**	4,620.53
Sub-total		**7,934.57**	8,018.59
Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	19	**1,715.40**	1,475.77
ii. Lease Liabilities	41	**80.85**	130.17
iii. Trade Payables	20		
- Total Outstanding dues of Micro enterprises and Small enterprises		**38.72**	90.77
- Total Outstanding dues of creditors other than Micro enterprises and Small enterprises		**4,772.70**	6,068.55
iv. Other Financial Liabilities	21	**2,129.15**	2,442.61
(b) Other Current Liabilities	22	**6,295.52**	5,433.76
(c) Provisions	23	**405.92**	352.25
(d) Current Tax Liabilities (Net)	24	**195.11**	69.41
Sub-total		**15,633.37**	16,063.29
Total Equity and Liabilities		**67,928.17**	65,452.05
Significant Accounting Policies and Notes are an integral part of the Standalone Financial Statements	1 to 46		

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

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

		Note	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
I.	Revenue from Operations	25	**56,569.49**	58,475.67
II.	Other Income	26	**728.51**	512.69
III.	**Total Income (I+II)**		**57,298.00**	58,988.36
IV.	**Expenses**			
	a. Cost of Materials Consumed	27	**9,977.91**	8,997.71
	b. Changes in inventories of Finished Goods and Work-in-progress	28	**460.05**	(496.24)
	c. Employee Benefits Expense	29	**4,315.63**	4,224.59
	d. Finance Costs	30	**510.44**	700.91
	e. Depreciation and Amortisation Expense	2	**1,056.38**	1,079.91
	f. Other Expenses	31	**36,262.27**	37,992.97
	Total Expenses (a to f)		**52,582.68**	52,499.85
V.	**Profit / (Loss) before Exceptional Items and Tax (III-IV)**		**4,715.32**	6,488.51
VI.	Exceptional Items		**-**	-
VII.	**Profit / (Loss) before Tax (V+VI)**		**4,715.32**	6,488.51
VIII.	**Tax Expense**	33		
	a. Current Tax		**1,360.39**	1,153.26
	b. (Excess) / Short Provision of Tax of Earlier Years		**-**	-
	c. Deferred Tax		**425.93**	1,094.00
	Total Tax Expense		**1,786.32**	2,247.26
IX.	**Profit / (Loss) for the year (VII-VIII)**		**2,929.00**	4,241.25
X.	**Other Comprehensive Income (Net of Tax)**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement gain / (loss) on Defined Benefit Plan		**(35.93)**	(51.27)
	b. Effect of measuring Equity Instruments at Fair Value		**0.04**	(0.02)
	c. Income Tax on above		**12.56**	17.92
	Other Comprehensive Income for the year		**(23.33)**	(33.37)
XI.	**Total Comprehensive Income for the year (IX+X)**		**2,905.67**	4,207.88
	Earnings per Equity Share of ₹ 10 par value :			
	a. Basic (₹ per share)	45	**3.32**	4.86
	b. Diluted (₹ per share)	45	**3.29**	4.85
	Significant Accounting Policies and Notes are an integral part of the Standalone Financial Statements	1 to 46		

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Standalone Statement of Changes in Equity for the year ended March 31, 2021

A. Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Balance as at the beginning of the year	**87,425,389**	**8,742.54**	86,912,760	8,691.28
Add : Shares issued during the year on exercise of Employee Stock Options	**776,481**	**77.65**	512,629	51.26
Balance as at the end of the year	**88,201,870**	**8,820.19**	87,425,389	8,742.54
Add : Forfeited Shares		**5.30**		5.30
Total Equity Share Capital		**8,825.49**		8,747.84

B. Other Equity

₹ in lakhs

Particulars	Share application money pending allotment	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	Share Options Outstanding	Retained Earnings		
Balance as at April 1, 2019	0.10	6,948.63	183.35	403.68	21,617.38	0.03	29,153.17
Profit / (Loss) for the year	-	-	-	-	4,241.25	-	4,241.25
Remeasurement loss on Defined Benefit Plan (net of tax)	-	-	-	-	(33.35)	-	(33.35)
Effect of measuring Equity Instruments at Fair Value	-	-	-	-	-	(0.02)	(0.02)
Total Comprehensive Income for the year	-	-	-	-	4,207.90	(0.02)	4,207.88
Issue of Equity Shares	(0.10)	-	-	-	-	-	(0.10)
Dividend on Equity Shares	-	-	-	-	(874.25)	-	(874.25)
Dividend Distribution Tax	-	-	-	-	(179.71)	-	(179.71)
Share Application Money received on exercise of Employee Stock Options, pending allotment	64.71	-	-	-	-	-	64.71
Share-based Payments to Employees	-	-	-	250.63	-	-	250.63
Exercise of Employee Stock Options	-	-	127.49	(127.49)	-	-	-
Balance as at March 31, 2020	64.71	6,948.63	310.84	526.82	24,771.32	0.01	32,622.33
Profit / (Loss) for the year	**-**	**-**	**-**	**-**	**2,929.00**	**-**	**2,929.00**
Remeasurement loss on Defined Benefit Plan (net of tax)	**-**	**-**	**-**	**-**	**(23.37)**	**-**	**(23.37)**
Effect of measuring Equity Instruments at Fair Value	**-**	**-**	**-**	**-**	**-**	**0.04**	**0.04**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**2,905.63**	**0.04**	**2,905.67**
Issue of Equity Shares	**(64.71)**	**-**	**-**	**-**	**-**	**-**	**(64.71)**
Share Application Money received on exercise of Employee Stock Options, pending allotment	**0.20**	**-**	**-**	**-**	**-**	**-**	**0.20**
Share-based Payments to Employees	**-**	**-**	**-**	**79.49**	**-**	**-**	**79.49**
Exercise of Employee Stock Options	**-**	**-**	**193.00**	**(193.00)**	**-**	**-**	**-**
Vested Employee Stock Options lapsed	**-**	**-**	**-**	**(27.04)**	**27.04**	**-**	**-**
Unvested Employee Stock Options lapsed	**-**	**-**	**-**	**(8.24)**	**-**	**-**	**(8.24)**
Balance as at March 31, 2021	**0.20**	**6,948.63**	**503.84**	**378.03**	**27,703.99**	**0.05**	**35,534.74**

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Standalone Statement of Cash Flows for the year ended March 31, 2021

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before Tax	**4,715.32**	6,488.51
	Adjustments for :		
	Depreciation and Amortisation Expense	**1,056.38**	1,079.91
	Finance Costs	**510.44**	700.91
	Interest Income	**(336.73)**	(366.06)
	Loss on Sale / Discard of Property, Plant and Equipment (Net)	**6.71**	138.19
	Unrealised Foreign Exchange Loss / (Gain)	**(1.90)**	92.96
	Gain on Termination of Lease	**(5.04)**	(0.03)
	Fair Value Changes	**0.56**	1.25
	Rent Concessions	**(0.09)**	-
	Share-based Payments to Employees	**71.25**	250.63
	Initial direct costs for Right-of-use Assets	**-**	(0.42)
	Provision no longer required Written back	**(35.21)**	(12.47)
	Sundry credit balances Written back	**(42.35)**	(83.37)
	Provision for Doubtful Debts / Advances Written back	**-**	(6.00)
	Operating Profit Before Working Capital Changes	**5,939.34**	8,284.01
	Adjustments for :		
	(Increase) / Decrease in Trade Receivables	**351.23**	(753.76)
	(Increase) / Decrease in Long-term Loans and Other Non-current Assets	**(14.37)**	566.37
	(Increase) / Decrease in Short-term Loans and Other Current Assets	**9.59**	(126.40)
	(Increase) / Decrease in Inventories	**(902.06)**	(493.87)
	Increase / (Decrease) in Trade payables, Other Financial and Current Liabilities	**(747.20)**	(2,136.17)
	Increase / (Decrease) in Current and Non-current Provisions	**14.33**	18.15
	Cash Generated from Operations	**4,650.86**	5,358.33
	Income-tax (paid) / refund (Net)	**(453.55)**	(1,081.61)
	Net Cash Generated from / (Used in) Operating Activities	**4,197.31**	4,276.72
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment	**(863.12)**	(1,071.74)
	Proceeds from Sale of Property, Plant and Equipment	**69.42**	50.16
	Proceeds from Sale of Equity Shares	**2.28**	-
	Advance received against Non-current Assets held for disposal	**24.02**	-
	Net Cash Generated from / (Used in) Investing Activities	**(767.40)**	(1,021.58)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity Shares on exercise of Employee Stock Options	**13.14**	115.87
	Proceeds from Long-term Borrowings	**20.84**	547.23
	Repayment of Long-term Borrowings	**(891.20)**	(840.28)
	Proceeds / (Repayment) of Short-term Borrowings (Net)	**239.63**	(675.65)
	Payment of Principal portion of Lease Liabilities	**(92.49)**	(95.08)
	Payment of Interest portion of Lease Liabilities	**(11.53)**	(21.95)

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Deposits held as margin money (Net)	**(2,545.45)**	(1,122.14)
Finance Costs Paid	**(407.04)**	(582.66)
Interest Income Received	**336.58**	346.01
Dividend Paid	**-**	(874.25)
Dividend Distribution Tax Paid	**-**	(179.71)
Net Cash Generated from / (Used in) Financing Activities	**(3,337.52)**	(3,382.61)
Net Increase / (Decrease) in Cash and Cash Equivalents	**92.39**	(127.47)
Cash and Cash Equivalents as at the beginning of the year	**120.88**	248.35
Cash and Cash Equivalents as at the end of the year (Refer Note 2 below)	**213.27**	120.88

Notes

1. Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows :

Particulars	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Balances with Banks		
In Current Accounts	**213.27**	20.73
In Fixed Deposits (Original maturity of three months or less)	**-**	100.15
Cash and Cash Equivalents as at the end of the year (Refer Note 9)	**213.27**	120.88

3. **Disclosure pursuant to Ind AS 7 :**

   Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities and financial assets arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities and financial assets arising from financing activites, to meet the disclosure requirement.

₹ in lakhs

Particulars	Opening Balance	Cash Flows	Non-cash Changes	Closing Balance
Short-term Borrowings	**1,475.77**	**239.63**	**-**	**1,715.40**
Long-term Borrowings (including Current maturities)	**2,985.61**	**(870.36)**	**-**	**2,115.25**
Deposits held as margin money	**5,515.09**	**(2,545.45)**	**-**	**8,060.54**

4. Purchase of Property, Plant and Equipment includes additions to Other Intangible Assets and adjustment for movement from Capital Work-in-progress, Intangible Assets under Development and Capital Advances.
5. Figures in bracket indicate Cash Outflow.

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Notes forming part of Standalone Financial Statements

1 Corporate Information and Significant Accounting Policies

A Corporate Information

Gujarat Sidhee Cement Limited (“the Company”) is engaged in the business of manufacturing and selling of Cement and Clinker.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Sidheegram, Gujarat, India. The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

The financial statements for the year ended March 31, 2021 are approved for issue by the Company’s Board of Directors on June 29, 2021.

B Significant Accounting Policies

1.1 Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind ASs) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act 2013 (the ‘Act’), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (“SEBI”), as applicable.

These financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities:

i. Certain financial assets that are measured at fair value.

ii. Employee’s Defined Benefit Plan measured as per independent actuarial valuation.

iii. Share-based payments that are measured at fair value.

These financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency and all amounts are rounded off to the nearest lakhs (INR ‘00,000) upto two decimals, except when otherwise indicated.

Classification of Assets and Liabilities into Current / Non-current:

The Company presents assets and liabilities in the Balance Sheet based on Current / Non-current classification.

An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless 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.

A liability is classified as Current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

1.2 Property, Plant and Equipment (PPE)

An item of PPE is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and / or accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy on borrowing costs.

If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.

Items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment" and are material.

Freehold land is carried at cost.

Mobile Phones costing less than ₹ 10,000/- are fully charged to revenue in the year in which they are purchased.

The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital Work-in-progress

Items of PPE which are not ready for intended use on the date of Balance Sheet are disclosed as Capital Work-in-progress. It is carried at cost, less accumulated impairment loss, if any. The items classified under Capital Work-in-progress are capitalised to the respective items of PPE on their completion and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

1.3 Depreciation / Amortisation

Depreciation on Property, Plant and Equipment (other than Freehold / Leasehold Land and Capital Work-in-progress) is commenced when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. Depreciation is provided on the Straight-Line Method as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The useful lives of items of Property, Plant and Equipment is mentioned below:

Particulars	Years
Factory Buildings	30
Buildings (other than factory buildings)	60
Plant and Equipment (including continuous process plants)	3-40
Furniture & Fixtures	10
Vehicles	8
Computers (Other than Servers / Networks)	3
Computers – Servers / Networks	6
Office Equipment (Other than Mobile phones)	5
Mobile phones	3

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

Freehold land is not depreciated.

Cost of Leasehold Land is amortised based on quantity of limestone / marl extracted during the year out of estimated deposit available for mining.

Items of PPE costing up to ₹ 5,000/- are fully depreciated in the year of purchase / capitalisation.

Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and the date, the asset is derecognised.

1.4 Non-current assets held for sale

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

1.5 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis as per Schedule II to the Companies Act, 2013. Intangible assets being computer software are amortised over a period of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

1.6 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the 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 for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are valued as follows:

Raw materials, Packing materials, Fuels and Stores and spare parts - At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.

Work-in-progress (WIP), Finished goods and Stock-in-trade - At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

1.8 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit / (loss) for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

1.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised net of income earned on temporary investments from such borrowings. All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.10 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Contingent assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

1.11 Revenue and Income Recognition

i. Revenue from Contracts with Customers

Revenue from contracts with customers for sale of goods is recognised when the Company satisfies performance obligation by transferring promised goods to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt.

Revenue is measured at the amount of transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, incentives and applicable Goods and Services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales rebates, discounts and incentives.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or on expiry.

In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

ii. Other Operating Revenue – Export entitlement

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

iii. Income Recognition

Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer.

Dividend income from investments is recognised when the Company's right to receive dividend is established.

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

1.12 Leases

As a Lessee:

The Company's leased assets consist of leases for buildings. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

Rent Concessions:

For rent concessions occurring as a direct consequence of COVID-19 pandemic, the Company has applied practical expedient provided in the amendment to Ind AS 116, as notified by Ministry of Corporate Affairs on July 24, 2020.

As a Lessor:

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income as per the terms of the lease as part of 'other income'.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116. However, when the Company was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

1.13 Employee Share-based Payments

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share, unless it is anti-dilutive.

1.14 Employee benefits

i. Short-term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

ii. Long-term employee benefits

a. Defined Contribution Plan:

Provident and Family Pension Fund:

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to Regional Provident Fund Commissioner, Rajkot, Gujarat. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the Statement of Profit and Loss as incurred.

Superannuation Fund:

The eligible employees of the Company are entitled to receive post employment benefits in respect of Superannuation fund, in which the Company makes annual contribution at a specified percentage of the employee's eligible salary (currently 15%) subject to maximum of ₹ 1.50 lacs. The contributions are made to Life Insurance Corporation of India. Superannuation Fund is classified as Defined Contribution Plan as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the Statement of Profit and Loss as incurred.

b. **Defined Benefit Plan:**

Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI). Remeasurement is not reclassified to Statement of Profit and Loss in subsequent periods. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation.

Compensated absences:

The Company provides for encashment of absence or absence with pay subject to certain rules. The employees are entitled to accumulate absences subject to certain limits for future encashment / availment. The liability is recognised based on number of days of unutilised leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.

1.15 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income-tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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

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

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

MAT Credits 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.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.16 Earnings Per Share

The basic earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity and dilutive equity equivalent shares outstanding during the reporting period.

1.17 Foreign Currency Transactions

Transactions in foreign currencies (Monetary or Non-monetary items) are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences arising on the settlement of monetary items or on reporting 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 expense in the Statement of Profit and Loss for the period in which they arise.

1.18 Financial Instruments

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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

Classification and Subsequent Measurement: Financial Assets:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

Fair Value through OCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset 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.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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

Impairment of Financial Assets:

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Company's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific identification. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

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 definitions of a financial liability and an equity instrument.

- **Equity Instruments:**

  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

  Equity instruments issued by a Company are recognised at the proceeds received.

Derecognition of Financial Liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

1.19 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Events of material size or nature that are indicative of conditions that arose after the reporting period are only disclosed.

1.20 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements:

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised based upon the likely timing and the level of future taxable profits. Also refer Note 33.

Property, Plant and Equipment / Intangible Assets:

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisaion for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised / depreciable amount is charged over the remaining useful life of the assets.

Defined Benefit Plans:

The cost of the defined benefit gratuity plan and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer Note 36.

Fair Value measurements of Financial Instruments:

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

Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future ouflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, risk free rate and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 40.

Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

1.21 Recent Pronouncement

The Ministry of Corporate Affairs (“MCA”) through a notification of March 24, 2021, amended Schedule III to the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules, 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘Financial Liabilities’, duly distinguished as current or non-current (presently also followed).
- Certain additional disclosures in the Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible assets under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then to disclose details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the financial statements.

  The amendments are extensive and the Company will evaluate the same to give effect to those as required by law.

Note 2

Property, Plant and Equipment

₹ in lakhs

	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Land										
Freehold (Refer Note c)	**26,040.15**	-	-	**26,040.15**	-	-	-	-	**26,040.15**	26,040.15
Leasehold (Refer Note a)	**322.89**	-	-	**322.89**	**67.56**	**9.28**	-	**76.84**	**246.05**	255.33
Buildings (Refer Notes b and c)	**5,150.69**	**39.38**	-	**5,190.07**	**2,633.57**	**80.87**	-	**2,714.44**	**2,475.63**	2,517.12
Plant and Equipment (Refer Note d)	**25,466.57**	**604.50**	**89.59**	**25,981.48**	**14,041.19**	**584.62**	**85.60**	**14,540.21**	**11,441.27**	11,425.38
Furniture and Fixtures	**1,559.56**	**59.17**	-	**1,618.73**	**1,021.40**	**90.59**	-	**1,111.99**	**506.74**	538.16
Vehicles (Refer Note e)	**1,791.31**	**114.42**	**181.11**	**1,724.62**	**1,071.09**	**143.74**	**109.19**	**1,105.64**	**618.98**	720.22
Computers	**415.46**	**24.85**	-	**440.31**	**388.33**	**11.70**	-	**400.03**	**40.28**	27.13
Office Equipment	**754.13**	**59.58**	**0.81**	**812.90**	**645.66**	**32.16**	**0.59**	**677.23**	**135.67**	108.47
Total	**61,500.76**	**901.90**	**271.51**	**62,131.15**	**19,868.80**	**952.96**	**195.38**	**20,626.38**	**41,504.77**	41,631.96

Capital Work-in-progress

	Gross Block				Impairment				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Capital Work-in-progress	**100.70**	**117.07**	**206.57**	**11.20**	-	-	-	-	**11.20**	100.70

Right-of-use Assets

	Gross Block				Depreciation				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Right-of-use Assets (Refer Note 41)	**423.76**	**4.09**	**160.69**	**267.16**	**108.31**	**95.59**	**32.33**	**171.57**	**95.59**	315.45

Other Intangible Assets

	Gross Block				Amortisation				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	126.57	7.34	-	133.91	113.34	7.83	-	121.17	12.74	13.23
Membership Fees	78.97	-	-	78.97	78.97	-	-	78.97	-	-
Total	**205.54**	**7.34**	-	**212.88**	**192.31**	**7.83**	-	**200.14**	**12.74**	13.23

Intangible Assets under Development

	Gross Block				Impairment				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Intangible Assets under Development	-	**76.75**	-	**76.75**	-	-	-	-	**76.75**	-

Notes :

a. Leasehold land is acquired for mining purpose. The land cannot be sold without permission of the Collector.

b. Two residential flats in Mumbai have been mortgaged to HDFC Bank Limited as security for providing Bank Guarantees and Letters of Credit.

c. Factory Land and Building is mortgaged as security for Cash Credit facility given by HDFC Bank Limited (Refer Note 19).

d. Plant and Equipment are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant (Refer Note 16.1).

e. The deductions under the gross block of Vehicles, for the year ended March 31, 2021, includes an amount of ₹ 74.39 lakhs, which is in respect of certain vehicles held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell. In this respect, loss of ₹ 6.00 lakhs has been recognised in the Statement of Profit and Loss under Other Expenses - Miscellaneous Expenses.

Property, Plant and Equipment

₹ in lakhs

	Gross Block				Depreciation and Amortisation			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Land									
Freehold	26,040.15	-	-	26,040.15	-	-	-	-	26,040.15
Leasehold (Refer Note a)	304.39	18.50	-	322.89	61.73	5.83	-	67.56	255.33
Buildings (Refer Note b)	5,141.88	11.54	2.73	5,150.69	2,554.95	79.98	1.36	2,633.57	2,517.12
Plant and Equipment (Refer Note c)	26,512.37	550.27	1,596.07	25,466.57	14,923.81	580.36	1,462.98	14,041.19	11,425.38
Furniture and Fixtures	1,467.90	91.66	-	1,559.56	924.60	96.80	-	1,021.40	538.16
Vehicles	1,669.93	235.59	114.21	1,791.31	983.41	148.36	60.68	1,071.09	720.22
Computers	408.62	7.94	1.10	415.46	379.35	10.02	1.04	388.33	27.13
Office Equipment	728.63	27.01	1.51	754.13	604.36	42.51	1.21	645.66	108.47
Total	62,273.87	942.51	1,715.62	61,500.76	20,432.21	963.86	1,527.27	19,868.80	41,631.96

Capital Work-in-progress

	Gross Block				Impairment			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Capital Work-in-progress	7.22	102.02	8.54	100.70	-	-	-	-	100.70

Right-of-use Assets

	Gross Block				Depreciation			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Right-of-use Assets (Refer Note 41)	47.05	378.93	2.22	423.76	-	108.69	0.38	108.31	315.45

Other Intangible Assets

	Gross Block				Amortisation			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Computer Software	118.87	7.70	-	126.57	105.98	7.36	-	113.34	13.23
Membership Fees	78.97	-	-	78.97	78.97	-	-	78.97	-
Total	197.84	7.70	-	205.54	184.95	7.36	-	192.31	13.23

Notes :

a. Leasehold land is acquired for mining purpose. The land cannot be sold without permission of the Collector.

b. Two residential flats in Mumbai have been mortgaged to HDFC Bank Limited as security for providing Bank Guarantees and Letters of Credit.

c. Plant and Equipment are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant (Refer Note 16.1).

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
3	**Investments : Non-Current**		
	Investments measured at Cost		
	In Equity Instruments of Subsidiary		
	Unquoted		
	4,17,50,177 (Previous Year : 4,17,50,177) Equity Shares of Villa Trading Company Private Limited of ₹ 10 each, full paid up (Refer Notes 3.1 and 43)	**7,899.81**	7,899.81
	Investments measured at Amortised cost		
	In Government Securities		
	Unquoted		
	6 Years National Savings Certificates		
	(Maintained as security deposit with Government authorities)	**0.14**	0.14
	Investments measured at Fair Value through Other Comprehensive Income (FVTOCI)		
	In Equity Instruments of Others		
	Quoted		
	100 (Previous Year : 100) Equity Shares of Saurashtra Cement Limited of ₹ 10 each, fully paid up	**0.06**	0.03
	Unquoted		
	9,20,000 (Previous Year : 21,20,000) Equity Shares of Bhadreshwar Vidyut Private Limited (Formerly known as OPGS Power Gujarat Pvt. Ltd.) of ₹ 0.10 each, fully paid up	**1.75**	4.03
		7,901.76	7,904.01
	Aggregate amount of		
	Quoted Investments	**0.06**	0.03
	Unquoted Investments	**7,901.70**	7,903.98
	Impairment in value of Investments	**-**	-
		7,901.76	7,904.01
	Aggregate Market Value of Quoted Investments	**0.06**	0.03

3.1 Includes 3,74,33,155 (Previous Year : 3,74,33,155) Equity shares of ₹ 10 each issued on conversion of Optionally Convertible Debentures of Villa Trading Company Private Limited of ₹ 100 each during the financial year 2016-17.

3.2 Disclosure as required by the Regulations 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013 in respect of investments made :

4,17,50,177 (Previous Year : 4,17,50,177) Equity Shares of Villa Trading Company Private Limited of ₹ 10 each, fully paid up	**7,899.81**	7,899.81
Maximum amount outstanding during the year	**7,899.81**	7,899.81

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
4	**Loans : Non-Current**		
	Considered Good - Unsecured		
	Security Deposits	**82.76**	62.10
	Staff Loans	**4.04**	3.12
		86.80	65.22
	Loan Receivables which have significant increase in credit risk	**-**	-
	Loan Receivables - credit impaired		
	Other Loans and advances	**323.92**	323.92
		410.72	389.14
	Less : Provision for Impairment	**323.92**	323.92
		86.80	65.22

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
5	**Other Financial Assets : Non-Current**		
	Deposits with Banks (maturity after twelve months from the date of Balance Sheet)		
	Kept as Margin money against Guarantees and Letters of Credit	**48.34**	292.56
	Kept as Security against Overdraft facilities (Refer Note 19)	**-**	62.10
	Others	**8.27**	12.78
		56.61	367.44

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
6	**Other Non-Current Assets**		
	Capital Advances	**34.21**	67.58
	Advances other than Capital Advances		
	Taxes paid	**13.21**	310.76
	Pre-deposit Balances with Statutory / Government Authorities against Appeals	**180.42**	180.42
	Prepaid Expenses	**5.75**	15.56
		233.59	574.32

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
7	**Inventories**		
	Raw Materials	**1,132.50**	260.55
	Raw Materials-in-transit	**-**	0.13
	Packing Materials	**201.54**	135.52
	Work-in-progress	**1,348.01**	1,756.61
	Finished Goods	**531.62**	583.07
	Stores and Spares	**1,264.27**	1,221.47
	Stores and Spares-in-transit	**-**	132.47
	Fuel	**1,474.12**	289.24
	Fuel-in-transit	**1,226.87**	1,897.81
		7,178.93	6,276.87

7.1 The cost of inventories recognised as an expense during the year is ₹ 10,437.96 lakhs (Previous Year : ₹ 8,501.47 lakhs) as included in Notes 27 and 28.

7.2 There has been no write down of inventory or reversal of such write down in current and previous year except as stated in Note 31.1.

7.3 For mode of valuation of inventories : Refer Note 1.7

7.4 Inventories are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant and Cash Credit facility. (Refer Notes 16.1 and 19)

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
8	**Trade Receivables**		
	Unsecured		
	Considered Good	**1,771.02**	2,122.25
	Trade Receivables - credit impaired	**9.66**	9.66
		1,780.68	2,131.91
	Less : Provision for Impairment	**9.66**	9.66
		1,771.02	2,122.25

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
9	**Cash And Cash Equivalents**		
	Balances with Banks		
	In Current Accounts	**213.27**	20.73
	In Fixed Deposits (Original maturity of three months or less)	**-**	100.15
		213.27	120.88

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
10	**Bank Balances other Than Cash and Cash Equivalents**		
	Deposits with Banks (maturity below twelve months from the date of Balance Sheet)		
	Kept as Margin money against Guarantees and Letters of Credit	**999.39**	1,202.52
	Kept as Security against Overdraft facilities (Refer Note 19)	**3,300.47**	3,337.37
	Others	**3,704.07**	607.76
		8,003.93	5,147.65
	Earmarked Balances		
	For Unpaid Equity Dividend	**17.68**	34.72
	For Money received on sale of fractional shares	**-**	0.21
		17.68	34.93
		8,021.61	5,182.58

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
11	**Loans : Current**		
	Considered Good - Unsecured		
	Staff Loans	**19.61**	8.81
		19.61	8.81

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
12	**Other Financial Assets : Current**		
	Interest Accrued on Fixed Deposits	**192.11**	212.34
	Others	**18.14**	-
		210.25	212.34

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
13	**Other Current Assets**		
	Considered Good - Unsecured		
	Advances against purchase of Raw Materials, Stores and Spares	**117.01**	144.12
	Advance Royalty on Limestone / Marl	**154.24**	190.62
	Balances with Statutory / Government Authorities	**11.54**	33.04
	Prepaid Expenses	**131.27**	135.65
	Others	**95.71**	52.56
		509.77	555.99
	Non-current Assets held for disposal [Refer Note 2(e)]	**23.90**	-
	Considered Doubtful		
	Advances against purchase of Stores and Spares	**-**	1.60
		533.67	557.59
	Less : Provision for Doubtful advances	**-**	1.60
		533.67	555.99

		As at March 31, 2021		As at March 31, 2020	
		Numbers	**₹ in lakhs**	Numbers	₹ in lakhs
14	**Equity Share Capital**				
a.	**Authorised :**				
	Equity Shares of ₹ 10 par value	**500,000,000**	**50,000.00**	500,000,000	50,000.00
b.	**Issued :**				
	Equity Shares of ₹ 10 par value	**88,254,950**	**8,825.49**	87,478,469	8,747.84
c.	**Subscribed :**				
	Equity Shares of ₹ 10 par value	**88,254,950**	**8,825.49**	87,478,469	8,747.84
d.	**Paid up :**				
	Equity Shares of ₹ 10 par value, fully paid up	**88,201,870**	**8,820.19**	87,425,389	8,742.54
	Add : Forfeited Shares		**5.30**		5.30
			8,825.49		8,747.84

e. Rights, preferences and restrictions :

i. The Company has only one class of Equity Shares referred to as Equity Shares having a par value of ₹ 10. Each holder of equity share is entitled to one vote per share.

ii. The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.

iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.

iv. In respect of Share-based Payments to Employees, that is, granting of Employee Stock Options - Refer Note 40.

		As at March 31, 2021		As at March 31, 2020	
f.	**Shares held by Holding Company :**	**No. of Shares**	**₹ in lakhs**	No. of Shares	₹ in lakhs
	Bhadra Textiles and Trading Private Limited (Refer Note 43)	**48,800,000**	**4,880.00**	48,800,000	4,880.00

g. Details of shares in the Company held by each shareholder holding more than 5 per cent shares :

		As at March 31, 2021		As at March 31, 2020	
S.No.	**Name of the Shareholder**	**No. of shares**	**% of share holding**	No. of shares	% of share holding
i.	Bhadra Textiles and Trading Private Limited (Refer Note 43)	**48,800,000**	**55.33**	48,800,000	55.82
ii.	GIIC Limited	**8,252,697**	**9.36**	8,252,697	9.44

h. Reconciliation of number of Equity Shares and Paid up Equity Share Capital :

Particulars	As at March 31, 2021 No. of Shares	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 No. of Shares	As at March 31, 2020 ₹ in lakhs
Balance as at the beginning of the year	**87,425,389**	**8,742.54**	86,912,760	8,691.28
Add : Shares issued during the year on exercise of Employee Stock Options	**776,481**	**77.65**	512,629	51.26
Balance as at the end of the year	**88,201,870**	**8,820.19**	87,425,389	8,742.54

i. Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year :

Particulars	As at March 31, 2021 No. of Shares	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 No. of Shares	As at March 31, 2020 ₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options	**1,452,543**	**145.25**	1,673,376	167.34

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
15 Other Equity		
i. Share Application Money pending allotment	**0.20**	64.71
ii. Reserves and Surplus		
a. Capital Reserve		
Government Subsidy	**26.95**	26.95
Capital Reduction Account	**6,921.68**	6,921.68
	6,948.63	6,948.63
b. Securities Premium		
Balance as at the beginning of the year	**310.84**	183.35
Add : Exercise of Employee Stock Options	**193.00**	127.49
	503.84	310.84
c. Share Options Outstanding		
Balance as at the beginning of the year	**526.82**	403.68
Add : Share-based Payments to Employees	**79.49**	250.63
Less : Exercise of Employee Stock Options	**(193.00)**	(127.49)
Less : Unvested Employee Stock Options Lapsed	**(8.24)**	-
Less : Vested Employee Stock Options Lapsed	**(27.04)**	-
	378.03	526.82

d.	**Retained Earnings**		
	Balance as at the beginning of the year	**24,771.32**	21,617.38
	Add / (Less) : Profit / (Loss) for the year	**2,929.00**	4,241.25
	Add / (Less) : Remeasurement gain / (loss) on Defined Benefit Plan (net of tax)	**(23.37)**	(33.35)
	Add : Vested Employee Stock Options Lapsed	**27.04**	-
	Less : Appropriations		
	Dividend on Equity Shares	**-**	(874.25)
	Dividend Distribution Tax	**-**	(179.71)
		27,703.99	24,771.32
iii.	**Equity Instruments through Other Comprehensive Income**		
	Balance as at the beginning of the year	**0.01**	0.03
	Add / (Less) : Effect of measuring Equity Instruments at Fair Value	**0.04**	(0.02)
		0.05	0.01
		35,534.74	32,622.33

The description of the nature and purpose of each reserve within equity is as follows :

a. **Share application money pending allotment**

It represents share application money received from employees on exercise of stock options for which allotment of 2,000 equity shares (Previous Year : 6,47,051 equity shares) is pending as at the year end.

b. **Capital Reserve**

It represent gains of capital nature. Capital reserve is mainly on account of reduction of paid up capital in earlier year in pursuance of Hon'ble BIFR order. It also consists of Government Subsidy received in earlier years.

c. **Securities Premium**

It represents those share based payments to employees for which stock options have been exercised by employees.

d. **Share Options Outstanding**

The Company has Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 40 for further details.

e. **Retained Earnings**

Retained Earnings are the profits that the Company has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

f. **Equity Instruments through Other Comprehensive Income**

This represents cumulative gains / (losses) arising on the measurement of equity shares (other than subsidiaries) at fair value through other comprehensive income.

		Non-current		Current maturities of Long-term borrowings *	
		As at March 31, 2021 ₹ in lakhs	**As at March 31, 2020 ₹ in lakhs**	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
16	**Borrowings : Non-current**				
	Secured				
	Term Loans				
	From Banks	**1,267.99**	2,096.20	**847.26**	879.85
	From Other Parties	**-**	-	**-**	9.56
		1,267.99	2,096.20	**847.26**	889.41

* Amounts disclosed under the head 'Other Financial Liabilities : Current' (Note 21).

16.1 Security and Repayment Terms :

i. Term Loan from HDFC Bank Limited is secured by exclusive First charge on Plant and Machinery including Waste Heat Recovery Power Plant and Current Assets of the Company. This is further secured by personal guarantee of one of the Promoter Directors, Corporate guarantee of wholly owned subsidiary Company and pledge of One Crore Equity Shares of Saurashtra Cement Limited held by wholly owned subsidiary Company. The Term Loan is repayable in Quarterly Instalments by August, 2023 and interest @ 8.85% p.a. w.e.f. October, 2020 is payable every month, 9.90% p.a. upto September, 2020 (Previous Year : 9.90% p.a. w.e.f. October, 2019, 10.20% p.a. upto September, 2019).

ii. Term loans from Banks/other parties in respect of finance availed for purchase of vehicles / equipment are secured by hypothecation of vehicles / equipment financed by them. The Loans are repayable in monthly equated installments over period of 3 to 5 years carrying interest rates ranging from 8% to 10% p.a.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
17	**Provisions : Non-current**		
	For Employee Benefits (Refer Note 36)		
	Gratuity	**784.42**	813.58
	Compensated absences	**319.70**	293.95
		1,104.12	1,107.53

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
18	**Deferred Tax Liabilities (Net)**		
	Deferred Tax Liabilities (Refer Note 33)	**8,576.87**	8,556.41
	Deferred Tax Assets (Refer Note 33)	**(3,036.17)**	(3,935.88)
		5,540.70	4,620.53

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
19	**Borrowings : Current**		
	Secured		
	Loans repayable on demand from Banks		
	Cash Credit	**1,000.17**	-
	Overdraft facilities	**715.23**	1,475.77
		1,715.40	1,475.77

Cash Credit is secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future and carries interest rate @ 8.30% p.a. It is also secured by Equitable Mortgage of Factory Land and Building and personal guarantee of one Director of the Company.

Overdraft facilities from bank is secured against lien of FDRs of ₹ 3,300.47 lakhs (Previous Year : ₹ 3,399.47 lakhs) - Refer Notes 5 and 10.

The interest rate on Overdraft facilities is 0.50% higher than the interest rate on corresponding lien marked fixed deposits.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
20	**Trade Payables**		
	Due to Related Party [Refer Note 38.2(B)(ii)]	**28.98**	133.24
	Due to Micro enterprises and Small enterprises	**38.72**	90.77
	Due to others	**4,743.72**	5,935.31
		4,811.42	6,159.32
	Additional disclosure under The Micro, Small and Medium Enterprises Development Act, 2006 :		
	i. Principal amount remaining unpaid	**38.72**	90.77
	ii. Interest accrued on the above amount and remaining unpaid	-	-
	iii. Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
	iv. Interest paid in terms of Section 16	-	-
	v. Interest due and payable for payments already made	-	-
	vi. Interest accrued and remaining unpaid	-	-
	vii. Amount of further interest remaining due and payable even in succeeding years	-	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the Company regarding the status of suppliers under the MSME.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
21	**Other Financial Liabilities : Current**		
	Current maturities of Long-term borrowings *		
	Term Loans		
	From Banks	**847.26**	879.85
	From Others	**-**	9.56
	Unpaid Dividend	**17.68**	34.72
	Unclaimed money against sale of fractional shares	**-**	0.21
	Security Deposits from Customers / Transporters	**618.28**	605.91
	Security Deposits - Others	**8.15**	11.92
	Remuneration Payable to Key Managerial Personnel [Refer Note 38.2(B)(i)]	**171.23**	122.57
	Liabilities for expenses at the year-end	**448.62**	760.94
	Others	**17.93**	16.93
		2,129.15	2,442.61
	* Refer Note 16.1 for security given.		

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
22	**Other Current Liabilities**		
	Advances from Customers	**1,685.45**	1,969.45
	Advance against sale of Non-current Assets held for disposal [Refer Note 2(e)]	**24.02**	-
	Unearned Revenue	**531.32**	426.95
	Statutory Dues	**3,992.27**	2,964.39
	Others	**62.46**	72.97
		6,295.52	5,433.76

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
23	**Provisions : Current**		
	For Employee Benefits (Refer Note 36)		
	Gratuity	**252.49**	214.17
	Compensated absences	**153.43**	138.08
		405.92	352.25

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
24	**Current Tax Liabilities (Net)**		
	Provision for Taxation	**853.45**	1,153.26
	Less : Taxes Paid	**658.34**	1,083.85
		195.11	69.41

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
25	**Revenue from Operations**		
	Sale of Products	**56,250.78**	58,307.54
	Other Operating Revenue	**318.71**	168.13
		56,569.49	58,475.67

25.1 Sales by Performance Obligations

Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
25.2 Revenue from contracts with customers		
A. Revenue from contracts with customers disaggregated based on nature of products or services		
Revenue from Sale of Products		
Cement	**52,196.68**	53,719.08
Clinker	**4,054.10**	4,588.46
	56,250.78	58,307.54
Other Operating Revenue		
AFR Processing Income	**76.82**	47.01
Scrap Sales	**241.89**	121.12
	318.71	168.13
	56,569.49	58,475.67
B Revenue from contracts with customers disaggregated based on geography		
Domestic	**56,569.49**	58,475.67
	56,569.49	58,475.67
25.3 Reconciliation of contract price with Revenue from Operations		
Contract price	**57,278.83**	59,261.41
Add : Transfer from Unearned Revenue to Revenue	**134.87**	167.15
	57,413.70	59,428.56
Less :		
Discounts and Rate differences	**921.15**	926.68
Incentives and Schemes	**228.18**	181.44
Customer's loyalty programme	**11.05**	7.02
Others	**2.54**	5.88
Revenue from Sale of Products	**56,250.78**	58,307.54
Add : Other Operating Revenue	**318.71**	168.13
Revenue from Operations	**56,569.49**	58,475.67

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
26	**Other Income**		
	Interest Income on		
	Financial Assets measured at amortised cost		
	Fixed Deposits with Banks	**334.49**	363.35
	Loans	**2.24**	9.98
	Income Tax Refund	**46.76**	0.01
	Others	**5.99**	0.29
		389.48	373.63
	Insurance claim [includes ₹ 56.41 lakhs (Previous Year : ₹ Nil) on damaged PPE]	**59.94**	0.99
	Provision no longer required Written back	**35.21**	12.47
	Provision for Doubtful Debts / Advances Written back	**1.60**	19.25
	Less : Bad Debts / Advances written off	**1.60**	13.25
		-	6.00
	Sundry credit balances Written back	**42.35**	83.37
	Exchange Rate Fluctuation (net)	**123.46**	-
	Sales Tax refund	**0.91**	3.93
	Miscellaneous Income [Refer Note 41(H)]	**77.16**	32.30
		728.51	512.69

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
27	**Cost of Materials Consumed**		
	Raw Materials		
	Opening Stock	**260.68**	485.03
	Add : Purchases	**6,479.24**	4,603.86
	Less : Closing Stock	**1,132.50**	260.68
		5,607.42	4,828.21
	Royalty, Cess and Limestone raising cost		
	Limestone raising and Transportation	**1,641.99**	1,709.92
	Royalty	**845.83**	832.02
	District Mineral Fund (DMF) and others	**270.67**	266.25
		2,758.49	2,808.19
	Packing Materials		
	Opening Stock	**135.52**	71.99
	Add : Purchases	**1,678.02**	1,424.84
	Less : Closing Stock	**201.54**	135.52
		1,612.00	1,361.31
		9,977.91	8,997.71

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
28	**Changes in inventories of Finished Goods and Work-in-progress**		
	Opening Stock		
	Finished Goods	**583.07**	411.12
	Work-in-progress	**1,756.61**	1,432.32
		2,339.68	1,843.44
	Less : Closing Stock		
	Finished Goods	**531.62**	583.07
	Work-in-progress	**1,348.01**	1,756.61
		1,879.63	2,339.68
		460.05	(496.24)

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
29	**Employee Benefits Expenses**		
	Salaries and Wages	**3,853.19**	3,574.83
	Share-based Payments to Employees (Refer Note 40) *	**71.25**	250.63
	Contribution to Provident and Other Funds	**229.98**	227.78
	Gratuity Expense	**103.07**	114.05
	Staff Welfare Expenses	**58.14**	57.30
		4,315.63	4,224.59

* Net off reversal of ₹ 8.24 lakhs (Previous Year : ₹ Nil) due to lapse of Unvested Employee Stock Options.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
30	**Finance Costs**		
	Interest Expense		
	On Borrowings	**294.49**	470.43
	On Duties and Taxes	**92.55**	89.80
	On Others	**50.34**	113.13
	Other Borrowing Costs	**73.06**	27.55
		510.44	700.91

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
31	**Other Expenses**		
	Power and Fuel	**17,819.16**	18,456.45
	Consumption of Stores and Spares (Refer Note 31.1)	**2,147.34**	2,007.22
	Repairs and Maintenance		
	Buildings	**92.48**	106.46
	Machinery	**1,126.38**	1,029.36
	Others	**434.09**	388.68
		1,652.95	1,524.50
	Cement Packing Expenses	**570.91**	502.93
	Insurance	**140.66**	131.72
	Rent (Refer Note 41)	**196.31**	207.65

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Rates and Taxes	**21.99**	39.40
Travelling and Conveyance Expenses	**49.81**	103.15
Exchange rate fluctuation (net)	**-**	79.46
Legal and Professional Charges	**210.61**	185.08
Freight Outward and Handling Expenses	**10,522.77**	11,660.80
Commission	**1,098.52**	1,030.48
Advertisement and Sales Promotion Expenses	**857.30**	994.17
Payments to the Auditors		
For Statutory Audit	**12.00**	12.00
For Tax Audit	**3.60**	3.00
For Limited Review	**4.00**	2.00
For Other services - Certification Work	**0.90**	1.20
	20.50	18.20
Directors' Sitting Fees	**55.80**	43.05
Donation	**78.48**	6.50
Loss on Sale / Discard of Property, Plant and Equipment (net)	**6.71**	138.19
Corporate Social Responsibility (CSR) Expenditure (Refer Note 32)	**57.79**	-
Miscellaneous Expenses	**754.66**	864.02
	36,262.27	37,992.97

31.1 It includes ₹ Nil (Previous Year : ₹ 34.82 lakhs) on account of write down of Stores and Spares to net realisable value.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
32	**Particulars of Corporate Social Responsibility (CSR) Expenditure**		
	Gross amount required to be spent by the Company during the year	**56.11**	-
	Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
	Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
	Rural Development	**2.79**	-
	Promoting Preventive Health Care, Environment and Sanitation	**55.00**	-
		57.79	-

For the year ended March 31, 2020, since the average net profit of the Company for preceding three financial years was negative, the amount to be spent on Corporate Social Responsibility (CSR) activities under the Companies Act, 2013 was Nil and the Company did not spend any amount on CSR.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
33	**Disclosure pursuant to Ind as 12 on "Income Taxes"**		
33.1	**Components of Tax expenses / (income)**		
	a. Profit or Loss section		
	i. Current Tax	**1,360.39**	1,153.26
	ii. (Excess) / Short Provision of Tax of Earlier Years		
	Current Tax	**0.15**	-
	Deferred Tax - MAT credit entitlement	**(0.15)**	-
	Total (Excess) / Short Provision of Tax of Earlier Years	**-**	-

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
iii.	**Deferred Tax**		
	In respect of current year origination and reversal of temporary differences	**425.93**	2,247.26
	MAT credit entitlement	**-**	(1,153.26)
	Total Deferred Tax	**425.93**	1,094.00
	Income Tax expense / (income) reported in the Profit or Loss section	**1,786.32**	2,247.26
b.	**Other Comprehensive Income section**		
	Remeasurement of Defined Benefit Plan	**(12.56)**	(17.92)
	Income Tax expense / (income) reported in Other Comprehensive Income section	**(12.56)**	(17.92)
33.2	**Reconciliation of Income Tax expense / (income) and Accounting Profit multiplied by domestic tax rate applicable in India**		
	Profit / (loss) before tax	**4,715.32**	6,488.51
	Applicable Tax Rate	**34.944%**	34.944%
	Tax on Accounting Profit	**1,647.72**	2,267.34
	Tax effect of :		
	Deductible items	**(145.43)**	(197.88)
	Non Deductible items	**155.12**	118.55
	Brought forward unused tax losses	**(261.82)**	(2,188.01)
	Deductions under Chapter VI-A	**(35.21)**	-
	Book Profit under MAT	**-**	1,153.26
	Current Tax (A)	**1,360.39**	1,153.26
	Deferred Tax Liability recognised	**20.46**	206.71
	Deferred Tax Asset reversed	**405.47**	2,040.55
	MAT Credit entitlement	**-**	(1,153.26)
	Deferred Tax (B)	**425.93**	1,094.00
	Tax expense / (income) recognised in Statement of Profit and Loss (A+B)	**1,786.32**	2,247.26
	Effective Tax Rate	**37.88%**	34.63%

The tax rate used for reconciliation is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under Income-tax Act, 1961.

		As at March 31, 2021	As at March 31, 2020
33.3	**Deductible temporary differences arising from investments in subsidiary on which no DTA is created**	**1,140.40**	798.61

The Company has not recognised Deferred Tax Asset on deductible temporary differences arising from investment in subsidiary as the Management does not expect that there will be sufficient taxable income in the form of Capital Gains against which the Capital Loss on the said temporary difference can be utilised.

		As at April 1, 2020 ₹ in lakhs	**Recognised in the Statement of Profit and Loss**	**Recognised in OCI**	**MAT Credit utilised**	**As at March 31, 2021 ₹ in lakhs**
33.4	**Components of Deferred Tax**					
a.	**Deferred Tax Assets :**					
	Accrued Expenses deductible on cash basis	457.48	**21.93**	**-**	**-**	**479.41**
	Lease Liabilities	125.08	**(87.53)**	**-**	**-**	**37.55**
	Provision for Gratuity and Leave Encashment	242.89	**5.01**	**12.56**	**-**	**260.46**
	Provision for Doubtful Debts and Advances	117.12	**(0.56)**	**-**	**-**	**116.56**
	Security Deposits	0.94	**(0.53)**	**-**	**-**	**0.41**
	Unused tax losses (Refer Note 33.5)					
	Unabsorbed Depreciation	343.79	**(343.79)**	**-**	**-**	**-**
	Unused tax credit - MAT Credit Entitlement (Refer Note 33.5)	2,648.58	**0.15**	**-**	**(506.95)**	**2,141.78**
		3,935.88	**(405.32)**	**12.56**	**(506.95)**	**3,036.17**
b.	**Deferred Tax Liabilities :**					
	Right-of-use Assets	110.23	**(76.82)**	**-**	**-**	**33.41**
	Property, Plant and Equipment and Other Intangible Assets	8,446.18	**97.28**	**-**	**-**	**8,543.46**
		8,556.41	**20.46**	**-**	**-**	**8,576.87**
	Deferred Tax Liabilities / (Asset) (Net)	4,620.53	**425.78**	**(12.56)**	**506.95**	**5,540.70**

		As at April 1, 2019 ₹ in lakhs	Recognised in the Statement of Profit and Loss	Recognised in OCI	Mat Credit utilised	As at March 31, 2020 ₹ in lakhs
a.	**Deferred Tax Assets :**					
	Accrued Expenses deductible on cash basis	435.61	21.87	-	-	457.48
	Lease Liabilities	-	125.08	-	-	125.08
	Provision for Gratuity and Leave Encashment	218.64	6.33	17.92	-	242.89
	Provision for Doubtful Debts and Advances	123.85	(6.73)	-	-	117.12
	Security Deposits	-	0.94	-	-	0.94
	Unused tax losses (Refer Note 33.5)					
	Business Loss	493.66	(493.66)	-	-	-
	Unabsorbed Depreciation	2,038.17	(1,694.38)	-	-	343.79
	Unused tax credit - MAT Credit Entitlement (Refer Note 33.5)	1,495.32	1,153.26	-	-	2,648.58
		4,805.25	(887.29)	17.92	-	3,935.88
b.	**Deferred Tax Liabilities :**					
	Right-of-use Assets	-	110.23	-	-	110.23
	Property, Plant and Equipment and Other Intangible Assets	8,349.70	96.48	-	-	8,446.18
		8,349.70	206.71	-	-	8,556.41
	Deferred Tax Liabilities / (Asset) (Net)	3,544.45	1,094.00	(17.92)	-	4,620.53

33.5 In earlier years, the Company had recognised Deferred Tax Asset (DTA) on carry forward of unused tax losses and unused tax credit as the Management expected that the unsed tax losses will be adjusted against the taxable profits and unused tax credit will be utilised against the income tax liability as per the normal provisions of the Income-tax Act, 1961 in forseeable future. In view of profits for the year, the unused tax losses have been set off against such taxable profits. Consequently, there has been reversal of DTA of ₹ 343.79 lakhs (Previous Year : ₹ 2,188.04 lakhs). Further, there is also utilisation of unused tax credit against the regular income tax liability to the extent of ₹ 506.95 lakhs (Previous Year : ₹ Nil). The Management continues to believe that the balance unused tax credit of ₹ 2,141.78 lakhs will be utilised in forseeable future.

				As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
34	**Contingent liabilities (to the extent not provided for)**				
	a.	Claims against the company not acknowledged as debt - matters under disputes / appeals :			
		i.	Excise duty on Cement *	**3,429.15**	3,446.58
		ii.	Customs Duty *	**72.85**	72.85
		iii.	Service Tax *	**143.72**	143.72
		iv.	Sales Tax / VAT	**452.73**	452.73
		v.	Income Tax	**377.87**	-
		vi.	Octroi	**38.49**	38.49
		vii.	Claims filed by workmen or their union against the Company	**7.16**	2.41
		viii.	House Tax	**82.79**	82.79
		ix.	Land Compensation	**442.90**	444.25
		x.	Others	**17.50**	17.50

b. Other money for which the Company is contingently liable :

Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

* Amount paid under protest : ₹ 180.42 lakhs (Previous Year : ₹ 180.42 lakhs)

Notes :

i. The Company does not expect any reimbursement in respect of the above contingent liabilities.

ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.

iii. The amounts stated are including interest and penalty, to the extent demanded.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
35	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 34.21 lakhs, Previous Year : ₹ 67.58 lakhs)	**526.38**	321.93

36 Disclosure Pursuant to Ind AS 19 on "Employee Benefits"

36.1 Defined Contribution Plans

The Company's contribution to Provident Fund, Superannuation Fund and other funds aggregating to ₹ 229.98 lakhs (Previous Year : ₹ 227.78 lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 29)

36.2 Defined Benefit Plan : Gratuity (Unfunded)

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under :

Features of the Defined Benefit Plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

Gratuity is paid by the Company as and when it becomes due and is paid as per the scheme for Gratuity.

36.3 Risk to the Plan

i. **Actuarial Risk :**

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

ii. **Asset Liability Matching Risk :**

The plan faces the ALM risk as to the matching cash flow. The Company manages the cash flow based on its own liquidity as and when it becomes due.

iii. **Liquidity Risk :**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

iv. **Market Risk :**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence, the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

v. **Mortality Risk :**

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

vi. **Legislative Risk :**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The Government may amend the Payment of Gratuity Act, 1972; thus, requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

			For the Year ended March 31, 2021 ₹ in lak`hs	For the Year ended March 31, 2020 ₹ in lakhs
			Gratuity Unfunded	Gratuity Unfunded
36.4	**i.**	**Changes in Present Value of Obligations**		
		Present Value of Obligation at the beginning	**1,027.75**	994.72
		Current Service Cost	**41.00**	39.75
		Past Service Cost	**-**	-
		Interest Cost	**62.07**	74.30
		Actuarial (Gain) / Loss due to :		
		- Change in Demographic Assumptions	**-**	(2.71)
		- Change in Financial Assumptions	**(11.90)**	37.93
		- Experience Changes	**47.83**	16.05
		Benefits paid	**(129.85)**	(132.29)
		Present Value of Obligation as at the end	**1,036.90**	1,027.75
	ii.	**Amount recognised in the Statement of Profit and Loss**		
		Current Service Cost	**41.00**	39.75
		Past Service Cost	**-**	-
		Interest Cost	**62.07**	74.30
			103.07	114.05
	iii.	**Amount recognised in Other Comprehensive Income**		
		Components of Actuarial (Gain) / Loss :		
		Change in Demographic Assumptions	**-**	(2.71)
		Change in Financial Assumptions	**(11.90)**	37.93
		Experience Changes	**47.83**	16.05
			35.93	51.27
	iv.	**Sensitivity Analysis for significant assumptions ***		
		Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
		1% increase in discount rate	**(38.40)**	(40.58)
		1% decrease in discount rate	**42.66**	45.00
		1% increase in salary escalation rate	**40.06**	43.99
		1% decrease in salary escalation rate	**(38.29)**	(40.40)
		1% increase in employee turnover rate	**3.12**	2.53
		1% decrease in employee turnover rate	**(3.45)**	(2.80)

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
		Gratuity Unfunded	Gratuity Unfunded
v.	**Amount recognised in Balance Sheet**		
	Gross value of Present Obligation at the end	**1,036.90**	1,027.75
vi.	**Maturity Profile of the Defined Benefit Obligation**		
	1st Following Year (Within next 12 months)	**256.99**	214.17
	2nd Following Year	**114.37**	99.23
	3rd Following Year	**146.21**	159.50
	4th Following Year	**157.72**	134.10
	5th Following Year	**102.86**	141.54
	Sum of Years 6 to 10	**347.11**	341.58
	Sum of Years 11 and above	**295.77**	312.47
vii.	**Assumptions**		
	Mortality Table - Indian Assured Life Mortality 2006-08	**2006-08**	2006-08
	Discount Rate	**6.33%**	6.04%
	Rate of increase in compensation levels	**5.00%**	5.00%
	Attrition Rate		
	For service 2 years and below	**15.00%**	15.00%
	For service 3 years to 4 years	**10.00%**	10.00%
	For service 5 years and above	**2.00%**	2.00%
viii.	**Weighted average duration of Defined Benefit Obligation**	**5 Years**	5 Years

ix. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

x. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations which is 9 years.

***** The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

37 Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

Operating Segments are those components of business whose operating results are regularly reviewed by the Managing Director in the Company to make decisions for performance assessment and resource allocation.

During the year, the Company was engaged in the business of manufacturing of Cement and Clinker, which is the only operating segment as per Ind AS 108.

38 Disclosure Pursuant to Ind AS 24 on "Related Party Disclosures"

38.1 List of related parties :

i. Holding Company :

Bhadra Textiles and Trading Private Limited

ii. Ultimate Controlling Party :

Galaxy Technologies Private Limited

iii. Subsidiary Company :

Villa Trading Company Private Limited

iv. Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital :

a. Saurashtra Cement Limited
b. Galaxy Technologies Private Limited
c. Shree Anandeya Investment Pvt. Ltd.
d. Pallor Trading Company Private Ltd.
e. The Mehta International Mauritius Limited
f. Treasurer's Trading Limited
g. GIIC Limited
h. Mehta Investments Mauritius Limited
i. Mehta Investments Pte Limited

v. List of Key Management Personnel with whom transactions were carried out during the year :

a.	Mr. M. N. Mehta	Chairman
b.	Mr. Jay Mehta	Executive Vice Chairman
c.	Mr. M. S. Gilotra	Managing Director
d.	Mrs. Juhi Chawla Mehta	Non-Executive Director
e.	Mr. Hemnabh R. Khatau	Non-Executive Director
f.	Mr. Venkatesh Mysore	Non-Executive Director
g.	Mr. M. L. Tandon	Independent Director
h.	Mr. M. N. Sharma	Independent Director
i.	Mr. Ashwani Kumar	Independent Director
j.	Mrs. Bhagyam Ramani	Independent Director
k.	Mr. M. N. Rao	Independent Director
l.	Mr. Bimal R. Thakkar	Independent Director
m.	Mr. Kailash N. Bhandari	Independent Director
n.	Dr. Rahul B. Gupta *	Non-Executive Director

* Appointed w.e.f. May 19, 2020

vi. Enterprise having Key Management Personnel in common :

Saurashtra Cement Limited

vii. Enterprise over which Key Management Personnel are able to exercise significant influence, with whom there were transactions during the period :

Mehta Private Limited

38.2 Transactions and Balances with related parties :

A Transactions with related parties :

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
i.	**Compensation paid / payable to Key Management Personnel ***		
	(Short-term employee benefits)		
	a. Mr. Jay Mehta **	**449.24**	376.26
	b. Mr. M. S. Gilotra ***	**308.04**	261.63
	* As the liability for gratuity are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity.		
	** includes Commission of ₹ 97.85 lakhs (Previous Year : ₹ 40.86)		
	*** includes Commission of ₹ 73.38 lakhs (Previous Year : ₹ 27.24)		
ii.	**Transactions with Key Management Personnel :**		
	a. Directors sitting fees	**55.80**	43.05
	b. Dividend on Equity Shares	**-**	0.80
iii.	**Transactions with Associate - Saurashtra Cement Limited :**		
	a. Sale of goods, materials and stores and spares	**1,245.81**	58.77
	b. Expenses for services	**74.97**	154.41
iv.	**Transactions with Associate - Mehta Private Limited :**		
	a. Rent paid	**32.76**	18.57
v.	**Transactions with the Subsidiary - Villa Trading Company Private Limited**		
	a. Corporate Guarantee Commission - Expenses (Refer Note 16.1)	**6.21**	8.32
	This commission has been recognised at fair value as per Ind AS 109 for the Guarantee given by the Subsidiary for Term Loan availed.		

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
B	**Outstanding Balances as at the year-end**		
i.	**Balances with Key Management Personnel :**		
	Other Financial Liabilities : Current		
	a. Remuneration payable to Mr. M S Gilotra	**73.38**	49.28
	b. Remuneration payable to Mr. Jay M Mehta	**97.85**	73.29
ii.	**Balance with Associate - Saurashtra Cement Limited :**		
	Trade Payables	**28.98**	133.24
iii.	Personal Guarantee given by Mr. Jay Mehta for Term Loan given by HDFC Bank Ltd. (Refer Note 16.1)		
	Balance Term Loan outstanding	**1,740.33**	2,434.72
iv.	Corporate Guarantee given by Villa Trading Company Private Limited for Term Loan given by HDFC Bank Ltd. (Refer Note 16.1)		
	Balance Term Loan outstanding	**1,740.33**	2,434.72

C Terms and conditions of transactions and balances with related parties

i. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

ii. Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.

iii. There have been no guarantees provided or received for any related party transaction.

iv. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the current year and previous year.

39 Capital Management

The primary objective of Company's Capital Management is to maximise the shareholder's value without having any adverse impact on interests of other stakeholders. At the same time, the Company strives to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's Capital Management, debt includes both current and non-current (including current maturities) borrowings and equity includes issued equity capital, securities premium and all other equity.

The Company monitors capital using Net Debt to Equity ratio, which is as under :

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Total Debt (A)	**3,830.65**	4,461.38
Cash and Cash Equivalents and Fixed Deposits with Bank	**7,217.81**	4,066.01
Net Debt (B)	**(3,387.16)**	395.37
Total Equity (C)	**44,360.23**	41,370.17
Net Debt to Equity Ratio (B/C)	**NA**	0.01

40 Disclosure pursuant to Ind AS 102 on "Share-based Payment"

40.1 Gujarat Sidhee Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 25, 2017, shareholders of the Company approved Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 8, 2018 had approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the company as also to retain them. Each option carries the right to the holder to apply for one equity share of the company at par. The salient features of the Scheme are as below :

Particulars	**Details**
No. of Options	36,47,779
Date of Grant	February 8, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	**Graded Vesting :**
	i) 33% of Options granted to be vested at 1st anniversary from the date of grant. ii) 33% of Options granted to be vested at 2nd anniversary from the date of grant. iii) 34% of Options granted to be vested at 3rd anniversary from the date of grant.
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	24.16 (Vest 1), 24.87 (Vest 2), 26.53 (Vest 3) 25.20 (per Option)
Method of Settlement	Equity

40.2 Movement in Options Granted under ESOS 2017

Particulars	As at March 31, 2021	Weighted average exercise price per option (₹)	As at March 31, 2020	Weighted average exercise price per option (₹)
	Nos		Nos	
Outstanding at the beginning of the year	**1,673,376**	**10**	2,887,871	10
Granted during the year	**-**	**-**	-	-
Exercised during the year	**131,430**	**10**	1,158,680	10
Forfeited / lapsed during the year	**89,403**	**10**	55,815	10
Outstanding at the end of the year	**1,452,543**	**10**	1,673,376	10
Options exercisable at the end of the year	**1,452,543**	**10**	596,625	10

The weighted average share price during the period of exercise of options was ₹ 36.05 per share, Previous Year : ₹ 20.57. Weighted average remaining contractual life for the share options outstanding as at March 31, 2021 was 2 years and 3 months (Previous Year: 2 years and 11 months)

40.3 Fair Valuation of Options Granted

No options were granted during the year. The fair valuation of option have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the market price of the share one day prior to the date of grant and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant :

1	Risk Free Rate:	7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)
2	Option Life:	Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)] which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)
3	Expected Volatility:	48.47% (Vest 1), 48.04% (Vest 2), 66.60% (Vest 3)
4	Dividend Yield:	Nil

Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

40.4 Expenses arising from equity-settled share-based payments to employees debited to the Statement of Profit and Loss is ₹ 71.25 lakhs (Previous Year : ₹ 250.63 lakhs)

41 Disclosure Pursuant to Ind AS 116 on “Leases”

A As a Lessee :

Following are the changes in the carrying amount of Right-of-use Assets :

₹ in lakhs

Category of Right-of-use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
Buildings			
Balance as at April 1, 2019	47.05	-	47.05
Additions	378.93	108.69	270.24
Deductions	2.22	0.38	1.84
Balance as at March 31, 2020	**423.76**	**108.31**	**315.45**
Additions	**4.09**	**95.59**	**(91.50)**
Deductions	**160.69**	**32.33**	**128.36**
Balance as at March 31, 2021	**267.16**	**171.57**	**95.59**

B The following is the break-up of current and non-current lease liabilities :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2021 ₹ in lakhs
Current lease liabilities	**80.85**	130.17
Non-current lease liabilities	**21.76**	194.33
	102.61	324.50

C The following is the movement in lease liabilities :

Particulars	₹ in lakhs
Balance as at April 1, 2019	47.05
Additions	374.41
Finance cost accrued	21.95
Deductions	1.88
Payment of lease liabilities	117.03
Balance as at March 31, 2020	**324.50**
Additions	**4.09**
Finance cost accrued	**11.53**
Deductions	**133.40**
Rent Concessions *	**0.09**
Payment of lease liabilities	**104.02**
Balance as at March 31, 2021	**102.61**

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Less than one year	**85.31**	150.60
One to five years	**22.15**	207.34
More than five years	**-**	-
	107.46	357.94

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Statement of Profit and Loss :

Particulars	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Depreciation charge on Right-of-use assets	**95.59**	108.69
Interest expense on lease liabilities	**11.53**	21.95
Expense relating to short-term leases - Rent	**122.81**	108.05
Gain on termination of leases	**5.04**	0.03
Rent Concessions *	**(0.09)**	-

F Total cash outflow for leases from Financing Activites recognised in the Statement of Cash Flows is ₹ 104.02 lakhs (Previous Year : ₹ 117.03 lakhs).

*The Ministry of Corporate Affairs vide notification of July 24, 2020, issued an amendment to Ind AS 116 thereby inserting a practical expedient w.r.t. “COVID-19 related rent concessions” effective for the period beginning on or after April 1, 2020. Pursuant to the amendment, the Company has applied the practical expedient to all rent concessions and has not assessed whether the rent concessions are a lease modification. The impact of such rent concessions has been recognised in the Statement of Profit and Loss under Other Income - Miscellaneous Income.

As a Lessor :

G The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Less than one year	**-**	9.00
One to five years	**-**	-
More than five years	**-**	-
	-	9.00

H Lease Income of ₹ 26.42 lakhs (Previous Year : ₹ 25.05 lakhs) has been recognised in the Statement of Profit and Loss under Other Income - Miscellaneous Income.

42 Disclosure on Financial Instruments

42.1 Classification of Financial Assets and Liabilities

Particulars	Note	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Financial Assets at Cost :			
Investments in Subsidiary	3	**7,899.81**	7,899.81
Financial Assets at Amortised cost :			
Trade Receivables	8	**1,771.02**	2,122.25
Loans	4 and 11	**106.41**	74.03
Investments	3	**0.14**	0.14
Cash and Bank Balances	9 and 10	**8,234.88**	5,303.46
Other Financial Assets	5 and 12	**266.86**	579.78
Financial Assets at Fair Value through Other Comprehensive Income :			
Investments in Others	3	**1.81**	4.06
Total		**18,280.93**	15,983.53
Financial Liabilities at Amortised cost :			
Term Loan from Banks (Non-current)	16	**1,267.99**	2,096.20
Borrowings (Current)	19	**1,715.40**	1,475.77
Trade payables	20	**4,811.42**	6,159.32
Lease Liabilities	41	**102.61**	324.50
Other Financial Liabilities	21	**2,129.15**	2,442.61
Total		**10,026.57**	12,498.40

The fair value of Bank Deposits with more than 12 months maturities and earmarked balances and fair value of borrowed funds approximates their respective carrying amounts as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

42.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values :

i. Receivables are evaluated by the Company based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.

ii. The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.

iii. The fair values of quoted equity shares are derived from quoted market prices in active markets.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are :

Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Financial Assets at fair value through Other Comprehensive Income :		
Investments - Level 1	**0.06**	0.03
Investments - Level 3	**1.75**	4.03
Total	**1.81**	4.06
There is no transfer between Level 1 and Level 3 during the year.		
Reconciliation of Level 3 Fair Value Measurements :		
Balance as at the beginning of the year	**4.03**	4.03
Add / (Less) : Changes during the year	**(2.28)**	**-**
Balance as at the end of the year	**1.75**	**4.03**

Since the Level 3 investment value is not significant, 1% increase (decrease) in the input will have negligible impact.

42.3 Financial Risk Management Framework

The Company's financial risk management is an integral part of how to plan and execute its business startegies. The risk management policy is approved by the Company's Board of Directors. The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets comprises of trade and other receivables and cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Company's activities exposes it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company's senior management oversees the management of these risks. They provide assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The sources of risks which the Company is exposed to and their management is given below :

Risk	**Exposure Arising From**	**Measurement**	**Management**
Credit Risk	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credt worthiness monitoring, Criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
Foreign Exchange Risk	Committed commercial transaction, Financial asset and Liabilities not denominated in INR	There are no major foreign exchange transactions	Foreign exchange transactions are in the nature of current payment and effected at current exchange rate
Commodity Price Risk	Movement in prices of commodities mainly Imported Steam Coal	Sensitivity Analysis, Commodity price tracking	Orders are placed based on the best price quoted by parties

Market Risk :

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 three types of risks – interest rate risk, foreign exchange risk and commodity price risk in a fluctuating market environment. Financial instrument affected by market risks includes foreign currency receivables and payables.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign Exchange Risk :

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts and capital expenditure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

Outstanding foreign currency exposure	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Trade Advances		
GBP	**6.77**	-
EUR	**6.18**	26.91
Trade Payables		
CHF	**0.33**	-
EUR	**0.65**	0.22

Foreign currency sensitivity on unhedged exposure :

Since the exposure is not significant, 1% increase in foreign exchange rates will have very negligible impact on profit before tax.

Interest Rate Risk :

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. The Company's exposure to the risk of changes in market interest rates relates to i) overdraft facilities against fixed deposits and ii) Cash Credit. The Company doesn't have foreign currency borrowings. The Company parks surplus funds in fixed deposits and avails overdraft facility against same to meet temporary fund requirement. The interest rate on overdraft facility is linked with interest rate on fixed deposits. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft facility. The Cash Credit facility has floating interest rate.

Interest rate exposure :

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2021 is ₹ 1,000.17 lakhs (Previous Year : ₹ Nil).

There is no significant interest rate risk in respect of overdraft facility against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

Interest rate sensitivity for unhedged exposure:

1% increase / decrease in interest rate will impact Profit before tax by ₹ 10 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Commodity Price Risk :

Commodity price risk arises due to fluctuation in prices of coal, pet coke and other products. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

Credit Risk Management :

Credit risk arises when a customer or counterparty does not meet its obligations 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 mainly deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Trade Receivables :

Customer credit is managed as per Company's established policies and procedures and control related to customer credit risk management. The Company has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Deposits are taken from customers as per agreement with them. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit in addition to security deposits.

Outstanding receivable from customers is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Company does not have higher concentration of credit risks to a single customer.

Total Trade receivables as at March 31, 2021 is ₹ 1,780.68 lakhs (Previous Year : ₹ 2,131.91 lakhs).

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for impairment based on specific identification. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required. Since the Company does not separately track changes in credit risk of Trade Receivables, the disclosure for Trade Receivables under Note 8, as required under Schedule III is suitably modified. The movement in provision for impairment is as below :

Particulars	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Opening Provision	**9.66**	23.07
Add : Provided during the year	**-**	-
Less : Utilised / written back during the year	**-**	13.41
Closing Provision	**9.66**	9.66

Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

Liquidity Risk :

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ **in lakhs**

As at March 31, 2021	**Less than 1 year / On demand**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings (including Current maturities of Long-term borrowings)	**2,562.66**	**1,267.99**	**-**	**3,830.65**
Trade payables	**4,811.42**	**-**	**-**	**4,811.42**
Lease Liabilities	**85.31**	**22.15**	**-**	**107.46**
Other financial liabilities	**1,281.89**	**-**	**-**	**1,281.89**
				₹ in lakhs
As at March 31, 2020	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including Current maturities of Long-term borrowings)	2,365.18	2,096.20	-	4,461.38
Trade payables	6,159.32	-	-	6,159.32
Lease Liabilities	150.60	207.34	-	357.94
Other financial liabilities	1,553.20	-	-	1,553.20

43 The Board of Directors of the Company at its meeting held on May 19, 2020 decided to amalgamate Villa Trading Company Private Limited (VTCPL), its wholly owned subsidiary, and Bhadra Textiles and Trading Private Limited (BTTPL), its holding company, with the Company with effect from April 1, 2020, being the appointed date. In terms of the Scheme -

i. on amalgamation of VTCPL with the Company, the shares held by the Company in the said subsidiary will be cancelled; and

ii. on amalgamation of BTTPL with the Company, the shares held by the said holding company will be cancelled and equivalent number of new shares of the Company will be issued to the shareholders of BTTPL in proportion to their holding in BTTPL.

The application for amalgamation of VTCPL and BTTPL with the Company was finally heard by National Company Law Tribunal (NCLT) on June 14, 2021, the Order was pronounced on June 22, 2021 and the same was certified by the Registrar on June 28, 2021. However, as the Order is not yet effective in accordance with the provisions of Section 232(5) of the Companies Act, 2013, the effect of the Scheme has not been considered in the preparation and presentation of the Financial Statements.

44 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements including the recoverability of carrying amount of property, plant and equipment, receivables, inventories and other assets. For assessing the impact, the Company has taken into account the external and internal sources of information and it expects that the carrying amount of these assets will be recovered.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
45	**Earnings Per Share**		
	Basic earnings per share		
	Net Profit / (Loss) attributable to equity shareholders	**2,929.00**	4,241.25
	Weighted average number of equity shares of ₹ 10 each	**88,092,211**	87,315,947
	Basic earnings per share (in ₹)	**3.32**	4.86
	Diluted earnings per share		
	Net Profit / (Loss) attributable to equity shareholders	**2,929.00**	4,241.25
	Weighted average number of equity shares outstanding	**88,092,211**	87,315,947
	Add : Weighted average number of potential equity shares on account of outstanding Employee Stock Options	**1,016,428**	57,025
	Weighted average number of equity shares outstanding for diluted EPS	**89,108,639**	87,372,972
	Diluted earnings per share (in ₹)	**3.29**	4.85

46 Previous Year's figures have been regrouped / reclassified to conform to the current year's presentation.

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta	**Executive Vice Chairman**
M. N. Rao	**Director**
M. S. Gilotra	**Managing Director**
V. R. Mohnot	**CFO & Company Secretary**

Mumbai, Dated June 29, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of the Gujarat Sidhee Cement limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Gujarat Sidhee Cement Limited** ("the Holding Company") and its subsidiary, Villa Trading Company Private Limited (the Holding Company and its subsidiary collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the 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, and based on the consideration of report of other auditors on separate financial statements of the subsidiary as were audited by other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit and consolidated total comprehensive income, the 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 specified under Section 143(10) of the Act (SAs). 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 ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our 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, for the year ended March 31, 2021 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

Key Audit Matter	How was the matter addressed in our audit
Rebates, Discounts and Incentives The Company has recognized Deferred Tax Assets on tax credit (MAT) which involves significant judgment to determine whether there will be reasonable certainty of taxable income against which the tax credit will be utilized.	Our audit procedures included the following : • Assessed the design and implementation of controls from the management relating to recording of rebates, discounts and incentives based on estimation of revenue and tested the operating effectiveness of such controls.

<table>
<tr><th>Key Audit Matter</th><th>How was the matter addressed in our audit</th></tr>
<tr><td>Revenue is recognised net of rebates, discounts and incentives based on the arrangement with customers. Rebates, discounts and incentives to customers are administered through various schemes. Amounts involved for such rebates, etc. are material items, voluminous and complex, and also involves significant judgment and estimates.</td><td>• Tested the inputs used in the estimation of revenue in context of incentives and selecting samples of revenue transactions and circulars to re-check that rebates, discounts and incentives were calculated in accordance with the eligibility criteria mentioned in the scheme circular.</td></tr>
<tr><td>The value of rebates, discounts and incentives together with the level of judgment involved make its accounting treatment a key audit matter.

[Refer Notes 1.12 and 25 to the consolided financial statements.]</td><td>• Ensured the completeness of liabilities recognised by evaluating the parameters for the schemes.

• Review of inputs used in calculating the amount and in some cases, re-performed the calculation.

• Verification of appropriate authorisation

• Analysed past trends by comparing actuals with the estimates of earlier periods.

• Assessed the disclosures rebates, discounts and incentives in accordance with the requirements of Ind AS 115 on “Revenue from Contracts with Customers”.</td></tr>
<tr><td>Deferred Tax Assets (“DTA”) on MAT Credit Entitlement, Unabsorbed Depreciation and Business Losses

The Group had recognised MAT Credit Entitlement in earlier years and reflected the same as DTA and during the year, DTA for a portion of MAT Credit have been utilised and hence, reversed

The recognition of MAT Credit as DTA was on the basis that it is probable that future taxable profit will be available against which such tax credits can be utilised.

The Group had recognised DTA in earlier years on carried forward business losses and unabsorbed depreciation; the carried forward business losses and a portion of unabsorbed depreciation were set off against the profits available during the immediate previous year and the balance of unabsorbed depreciation has been set off against the profits during the year and accordingly, DTA on unabsorbed depreciation have been utilised and reversed.</td><td>Our audit procedures included the following :

• Considered the Group’s accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 on “Income Taxes”.

• Evaluated the Group’s tax positions by comparing it with prior years and past precedents.

• Evaluated the estimates of profitability made by the management on the basis of which it is considered probable that the Group will have sufficient taxable income against which the tax credits will be utilised.

• Discussed with the management the future business plans and financial projections on which the estimate of profitability is made.

• Assessed the management’s long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan and projections used for impairment assessment where applicable.</td></tr>
</table>

Key Audit Matter	How was the matter addressed in our audit
Such recognition and reversal of DTA is a key audit matter as the determination that it is probable that future taxable will be available, that is, the recoverability of such tax credits, of MAT Credit, carried forward business losses and unabsorbed depreciation, within the allowed time frame, involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Group. [Refer Notes 1.16, 18, and 33 to consolidated financial statements]	• Assessed the disclosures in accordance with the requirements of Ind AS 12 on "Income Taxes".
Physical Verification of Inventories The Group has inventories that consist of its raw materials, packing materials, work-in-progress, finished goods, stores and spares and fuel. The Group has its manufacturing operations at one location and finished goods are at its manufacturing unit as also depots. Its inventories, other than finished goods and those in-transit, are at its manufacturing unit; finished goods are at its manufacturing unit as well as depots. The management of the Group carried out physical verification of its inventories at the year-end in our virtual presence via video call since due to various restrictions imposed due to COVID-19 outbreak, it was impractical for us auditors to physically attend the inventory counting. We performed the alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories, that is, for physical verification of inventories. This matter is are considered to be key audit matter given the circumstances of COVID-19 vis-à-vis non-COVID-19 scenario. [Refer Notes 1.8 and 7 to the consolidated financial statements regarding accounting policy and the carrying amounts of inventories]	Our alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories include the following : • Evaluated the control design in respect of inventory process and testing whether such controls have operated effectively during the period of audit. • Obtained details/documents of existence of physical inventories as carried out by the management at the year-end. • Observed the inventory counting remotely at the year-end via video call; considered the related practical constraints while counting remotely. • The count was carried for all items of inventories on sample basis and in some cases of on the best judgment basis as also based on previous experience of conducting inventory count at the earlier date • Related documents were verified for the existence of inventories at the year-end. • Employed appropriate cut-off procedures as also verified documentary records for inventories in-transit.
Uncertain tax positions **Direct and Indirect Taxes** The Group has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgment to determine the possible outcome based on which accounting treatment is given to the disputed amount. These matters are considered to be key audit matter given the magnitude of potential outflow of economic resources and uncertainty of potential outcome. [Refer Notes 22 and 34 to the consolidated financial statements.]	Our audit procedures include the following : • Obtained details of uncertain tax position and gained understanding thereof. • Obtained details of completed tax assessments and also demands raised. • Read and analysed relevant communication with the authorities and legal consultants. • Considered the legal advice obtained by the management on possible outcome of the litigation. • Discussed with senior management and evaluated management's assumptions regarding provisions made. • Assessed the disclosures in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets"..

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

The Holding Company's Board of Directors is responsible for 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, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's 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, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to the subsidiary and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiary is traced from the financial statements audited by the other auditors.

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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Holding Company and its Subsidiary 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; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding 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 the 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and its subsidiary) 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, that is, the Holding Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled "Other Matters" to this audit report.

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 consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements and the financial information of the subsidiary, whose financial statements and financial information reflect total assets of ₹ 9,041.75 lakhs as at March 31, 2021, total revenues of ₹ 153.32 lakhs, total net profit of ₹ 125.51 lakhs and total comprehensive income of ₹ 4,940.01 lakhs and net cash inflows amounting to ₹ 120.53 lakhs for the year ended on that date, as considered in preparation of consolidated financial statements. The financial statements and financial information of the subsidiary have been prepared in accordance with Ind AS and accounting principles generally accepted in India. These financial statements and financial information have not been audited by us and have been audited by other auditors whose report have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, 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, we report, to the extent applicable, that :

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and as reported by the statutory auditors of the subsidiary, none of the directors of the companies in the Group are disqualified as on March 31, 2021 from being appointed as a director of the respective company in terms of Section 164(2) of the Act;

   f. With respect to the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   g. With respect to the matter 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 during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 34 to the consolidated financial statements;

      ii. The Group did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses, as required under the applicable law or accounting standards;

      iii. There has been no delay in transferring amounts, requiring to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2021.

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACM3938

PLACE: Mumbai
DATE: June 29, 2021

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Consolidated Financial Statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to Consolidated Financial Statements 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 Group as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to the financial statements of **Gujarat Sidhee Cement Limited** ("the Holding Company"), and its subsidiary (collectively referred to as "the Group").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary, in terms of their report referred to in the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that :

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. 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

c. 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 with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred in the Other Matter section below, the Holding Company and its subsidiary, have, in all material respects, an adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to its subsidiary, is based on the corresponding report of the auditors of such company.

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAACM3938

PLACE: Mumbai
DATE: June 29, 2021

Consolidated Balance Sheet as at March 31, 2021

	Note	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	2	**41,504.77**	41,631.96
(b) Capital Work-in-progress	2	**11.20**	100.70
(c) Right-of-use Assets	2	**95.59**	315.45
(d) Other Intangible Assets	2	**12.74**	13.23
(e) Intangible Assets under Development	2	**76.75**	-
(f) Financial Assets			
i. Investments	3	**8,654.41**	3,842.15
ii. Loans	4	**88.38**	66.80
iii. Other Financial Assets	5	**56.61**	367.44
(g) Other Non-Current Assets	6	**232.40**	569.00
Sub-Total		**50,732.85**	46,906.73
Current Assets			
(a) Inventories	7	**7,178.93**	6,276.87
(b) Financial Assets			
i. Trade Receivables	8	**1,771.02**	2,122.25
ii. Cash and Cash Equivalents	9	**599.76**	386.85
iii. Bank Balances other than ii. above	10	**8,021.61**	5,182.58
iv. Loans	11	**19.61**	8.81
v. Other Financial Assets	12	**210.38**	213.85
(c) Other Current Assets	13	**529.54**	549.78
Sub-Total		**18,330.85**	14,740.99
Total Assets		**69,063.70**	61,647.72
Equity And Liabilities			
Equity			
(a) Equity Share Capital	14	**8,825.49**	8,747.84
(b) Other Equity	15	**36,667.94**	28,815.53
Sub-Total		**45,493.43**	37,563.37
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**1,267.99**	2,096.20
(ii) Lease Liabilities	41	**21.76**	194.33
(b) Provisions	17	**1,104.12**	1,107.53
(c) Deferred Tax Liabilities (Net)	18	**5,540.70**	4,620.53
Sub-Total		**7,934.57**	8,018.59
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**1,715.40**	1,475.77
(ii) Lease Liabilities	41	**80.85**	130.17
(iii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		**38.72**	90.77
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		**4,772.88**	6,069.49
(iv) Other Financial Liabilities	21	**2,129.15**	2,442.61
(b) Other current liabilities	22	**6,295.52**	5,433.83
(c) Provisions	23	**405.92**	352.25
(d) Current Tax Liabilities (Net)	24	**197.26**	70.87
Sub-Total		**15,635.70**	16,065.76
Total Equity And Liabilities		**69,063.70**	61,647.72
Significant Accounting Policies and Notes are an integral part of the Consolidated Financial Statements	1 to 47		

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Consolidated Statement of Profit and Loss For The Year Ended March 31, 2021

		Note	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
I.	Revenue from Operations	25	**56,569.49**	58,475.67
II.	Other Income	26	**875.61**	754.58
III.	**Total Income (I+II)**		**57,445.10**	59,230.25
IV.	**Expenses**			
	a. Cost of Materials Consumed	27	**9,977.91**	8,997.71
	b. Changes in inventories of Finished Goods and Work-in progress	28	**460.05**	(496.24)
	c. Employee Benefits Expense	29	**4,315.63**	4,224.59
	d. Finance Costs	30	**504.36**	692.66
	e. Depreciation and Amortisation Expense	2	**1,056.38**	1,079.91
	f. Other Expenses	31	**36,264.77**	37,994.54
	Total Expenses (a to f)		**52,579.10**	52,493.17
V.	**Profit / (Loss) before Exceptional Items and Tax (III-IV)**		**4,866.00**	6,737.08
VI.	Exceptional Items		**-**	-
VII.	**Profit / (Loss) before Tax (V+VI)**		**4,866.00**	6,737.08
VIII.	**Tax Expense**	33		
	a. Current Tax		**1,385.57**	1,155.01
	b. (Excess) / Short Provision of Tax of Earlier Years		**-**	4.13
	c. Deferred Tax		**425.93**	1,094.00
	Total Tax Expense		**1,811.50**	2,253.14
IX.	**Profit / (Loss) for the year (VII-VIII)**		**3,054.50**	4,483.94
X.	**Other Comprehensive Income (Net of Tax)**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement gain / (loss) on Defined Benefit Plan		**(35.93)**	(51.27)
	b. Effect of measuring Equity Instruments at Fair Value		**4,814.54**	(2,656.53)
	c. Income Tax on above		**12.56**	17.92
	Other Comprehensive Income for the year		**4,791.17**	(2,689.88)
XI.	**Total Comprehensive Income for the year (IX+X)**		**7,845.67**	1,794.06
	Earnings per Equity Share of Face Value of ₹ 10 each :			
	(a) Basic (₹ per share)	46	**3.47**	5.14
	(b) Diluted (₹ per share)	46	**3.43**	5.13
	Significant Accounting Policies and Notes are an integral part of the Consolidated Financial Statements	1 to 47		

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta — **Executive Vice Chairman**
M. N. Rao — **Director**
M. S. Gilotra — **Managing Director**
V. R. Mohnot — **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Consolidated Statement of Changes In Equity For The Year Ended March 31, 2021

A. Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Balance as at the beginning of the year	**87,425,389**	**8,742.54**	86,912,760	8,691.28
Add : Shares issued during the year on exercise of Employee Stock Options	**776,481**	**77.65**	512,629	51.26
Balance as at the end of the year	**88,201,870**	**8,820.19**	87,425,389	8,742.54
Add : Forfeited Shares		**5.30**		5.30
Total Equity Share Capital		**8,825.49**		8,747.84

B. Other Equity

(₹ In lakhs)

Particulars	Share application money pending allotment	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	Share Options Outstanding	Retained Earnings		
Balance as at April 1, 2019	0.10	6,957.21	183.35	403.68	24,574.74	(4,358.89)	27,760.19
Profit / (Loss) for the year	-	-	-	-	4,483.94	-	4,483.94
Remeasurement loss on Defined Benefit Plan (net of tax)	-	-	-	-	(33.35)	-	(33.35)
Effect of measuring Equity Instruments at Fair Value	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	4,450.59	(2,656.53)	1,794.06
Issue of Equity Shares	(0.10)	-	-	-	-	-	(0.10)
Dividend on Equity Shares	-	-	-	-	(874.25)	-	(874.25)
Dividend Distribution Tax	-	-	-	-	(179.71)	-	(179.71)
Share Application Money received on exercise of Employee Stock Options, pending allotment	64.71	-	-	-	-	-	64.71
Share-based Payments to Employees	-	-	-	250.63	-	-	250.63
Exercise of Employee Stock Options	-	-	127.49	(127.49)	-	-	-
Balance as at March 31, 2020	64.71	6,957.21	310.84	526.82	27,971.37	(7,015.42)	28,815.53
Profit / (Loss) for the year	-	-	-	-	3,054.50	-	3,054.50
Remeasurement loss on Defined Benefit Plan (net of tax)	-	-	-	-	(23.37)	-	(23.37)
Effect of measuring Equity Instruments at Fair Value	-	-	-	-	-	4,814.54	4,814.54
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**3,031.13**	**4,814.54**	**7,845.67**
Issue of Equity Shares	**(64.71)**	**-**	**-**	**-**	**-**	**-**	**(64.71)**
Share Application Money received on exercise of Employee Stock Options, pending allotment	**0.20**	**-**	**-**	**-**	**-**	**-**	**0.20**
Share-based Payments to Employees	**-**	**-**	**-**	**79.49**	**-**	**-**	**79.49**
Exercise of Employee Stock Options	**-**	**-**	**193.00**	**(193.00)**	**-**	**-**	**-**
Vested Employee Stock Options lapsed	**-**	**-**	**-**	**(27.04)**	**27.04**	**-**	**-**
Unvested Employee Stock Options lapsed	**-**	**-**	**-**	**(8.24)**	**-**	**-**	**(8.24)**
Balance as at March 31, 2021	**0.20**	**6,957.21**	**503.84**	**378.03**	**31,029.54**	**(2,200.88)**	**36,667.94**

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta	**Executive Vice Chairman**
M. N. Rao	**Director**
M. S. Gilotra	**Managing Director**
V. R. Mohnot	**CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Consolidated Statement of Cash Flows For The Year Ended March 31, 2021

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before Tax	**4,866.00**	6,737.08
	Adjustments for :		
	Depreciation and Amortisation Expense	**1,056.38**	1,079.91
	Finance Costs	**504.36**	692.66
	Interest Income	**(347.25)**	(368.93)
	Dividend Income	**(136.58)**	(239.02)
	Loss on Sale / Discard of Property, Plant and Equipment (Net)	**6.71**	138.19
	Unrealised Foreign Exchange Loss / (Gain)	**(1.90)**	92.96
	Gain on Termination of Lease	**(5.04)**	(0.03)
	Fair Value Changes	**0.56**	1.25
	Rent Concessions	**(0.09)**	-
	Share-based Payments to Employees	**71.25**	250.63
	Initial direct costs for Right-of-use Assets	**-**	(0.42)
	Provision no longer required Written back	**(35.21)**	(12.47)
	Sundry credit balances Written back	**(42.35)**	(83.37)
	Provision for Doubtful Debts / Advances Written back	**-**	(6.00)
	Operating Profit before Working Capital changes	**5,936.84**	8,282.44
	Adjustments for:		
	(Increase) / Decrease in Trade Receivables	**351.23**	(753.76)
	(Increase) / Decrease in Long-term Loans and Other Non-current Assets	**(14.37)**	566.37
	(Increase) / Decrease in Short-term Loans and Other Current Assets	**9.59**	(126.40)
	(Increase) / Decrease in Inventories	**(902.06)**	(493.87)
	Increase / (Decrease) in Trade payables, Other Financial and Current Liabilities	**(747.98)**	(2,136.05)
	Increase / (Decrease) in Current and Non-current Provisions	**14.33**	18.15
	Cash Generated from Operations	**4,647.58**	5,356.88
	Income-tax (paid) / refund (Net)	**(478.24)**	(1,087.45)
	Net Cash Generated from / (Used in) Operating Activities	**4,169.34**	4,269.43
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment	**(863.12)**	(1,071.74)
	Proceeds from Sale of Property, Plant and Equipment	**69.42**	50.16
	Proceeds from Sale of Equity Shares	**2.28**	-
	Advance received against Non-current Assets held for disposal	**24.02**	-
	Interest received	**11.91**	1.58
	Dividend received	**136.58**	239.02
	Net Cash Generated from / (Used in) Investing Activities	**(618.91)**	(780.98)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity Shares on exercise of Employee Stock Options	**13.14**	115.87
	Proceeds from Long-term Borrowings	**20.84**	547.23
	Repayment of Long-term Borrowings	**(891.20)**	(840.28)
	Proceeds / (Repayment) of Short-term Borrowings (Net)	**239.63**	(675.65)
	Payment of Principal portion of Lease Liabilities	**(92.49)**	(95.08)

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Payment of Interest portion of Lease Liabilities	**(11.53)**	(21.95)
Deposits held as margin money (Net)	**(2,545.45)**	(1,122.14)
Finance Costs Paid	**(407.04)**	(582.66)
Interest Income Received	**336.58**	346.01
Dividend Paid	**-**	(874.25)
Dividend Distribution Tax Paid	**-**	(179.71)
Net Cash Generated from / (Used in) Financing Activities	**(3,337.52)**	(3,382.61)
Net Increase / (Decrease) in Cash and Cash Equivalents	**212.91**	105.84
Cash and Cash Equivalents as at the beginning of the year	**386.85**	281.01
Cash and Cash Equivalents as at the end of the year (Refer Note 2 below)	**599.76**	386.85

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014

2 Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Balances with Banks		
In Current Accounts	**214.18**	61.70
In Fixed Deposits (Original maturity of three months or less)	**385.58**	325.15
Cash and Cash Equivalents as at the end of the year (Refer Note 9)	**599.76**	386.85

3. **Disclosure pursuant to Ind AS 7 :**

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities and financial assets arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities and financial assets arising from financing activites, to meet the disclosure requirement.

₹ in lakhs

Particulars	OpeningBalance	Cash Flows	Non Cash Changes	Closing Balance
Short-term Borrowings	**1,475.77**	**239.63**	**-**	**1,715.40**
Long-term Borrowings (including Current maturities)	**2,985.61**	**(870.36)**	**-**	**2,115.25**
Deposits held as margin money	**5,515.09**	**(2,545.45)**	**-**	**8,060.54**

4 Purchase of Property, Plant and Equipment includes additions to Other Intangible Assets and adjustment for movement from Capital Work-in-progress, Intangible Assets under Development and Capital Advances.

5 Figures in bracket indicate Cash Outflow.

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta	**Executive Vice Chairman**
M. N. Rao	**Director**
M. S. Gilotra	**Managing Director**
V. R. Mohnot	**CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Notes Forming Part of Consolidated Financial Statements

1 Corporate Information and Significant Accounting Policies

A Company Overview:

Gujarat Sidhee Cement Limited ("the Company") is engaged in the business of manufacturing and selling of Cement and Clinker.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Sidheegram, Gujarat, India. The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

The consolidated financial statements for the year ended March 31, 2021 are approved for issue by the Company's Board of Directors on June 29, 2021.

B Principles of Consolidation:

1.1 Basis of Consolidation

These Consolidated Financial Statements are prepared in accordance with Ind AS 110 - Consolidated Financial Statements, specified under Section 133 of the Companies Act, 2013.

The financial statements of the Company and its Subsidiary ("the Group") have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

The accounting policies of Subsidiary Company have been harmonised to ensure the consistency with the policies adopted by the Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Company's separate financial statements.

The difference between Company's share of Net Assets and Cost of investment in Subsidiary Company at the time of acquisition of shares in Subsidiary is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

Subsidiary considered in the Consolidated Financial Statements is:

No.	Name of the Company	Country of Incorporation	Parent's holding as at March 31, 2021	Parent's holding as at March 31, 2020	Financial Year ends
i.	Villa Trading Company Private Limited	India	100.00%	100.00%	March 31

1.2 Basis of Preparation

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind ASs) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These consolidated financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities:

i. Certain financial assets that are measured at fair value.

ii. Employee's Defined Benefit Plan measured as per independent actuarial valuation.

iii. Share-based payments that are measured at fair value

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency and all amounts are rounded off to the nearest lakhs (INR '00,000) upto two decimals, except when otherwise indicated.

Classification of Assets and Liabilities into Current/Non-current:

The Group presents assets and liabilities in the Consolidated Balance Sheet based on Current / Non-current classification.

An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless 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.

A liability is classified as Current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

1.3 Property, Plant and Equipment (PPE)

An item of PPE is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and / or accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy on borrowing costs.

If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.

Items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment" and are material.

Freehold land is carried at cost.

Mobile Phones costing less than ₹ 10,000/- are fully charged to revenue in the year in which they are purchased.

The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Consolidated Statement of Profit and Loss

Capital Work-in-progress

Items of PPE which are not ready for intended use on the date of Consolidated Balance Sheet are disclosed as Capital Work-in-progress. It is carried at cost, less accumulated impairment loss, if any. The items classified under Capital Work-in-progress are capitalised to the respective items of PPE on their completion and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use

1.4 Depreciation / Amortisation

Depreciation on Property, Plant and Equipment (other than Freehold / Leasehold Land and Capital Work-in-progress) is commenced when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. Depreciation is provided on the Straight-Line Method as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment. The useful lives of items of Property, Plant and Equipment is mentioned below:

Particulars	**Years**
Factory Buildings	30
Buildings (other than factory buildings)	60
Plant and Equipment (including continuous process plants)	3-40
Furniture & Fixtures	10
Vehicles	8
Computers (Other than Servers / Networks)	3
Computers – Servers / Networks	6
Office Equipment (Other than Mobile phones)	5
Mobile phones	3

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

Freehold land is not depreciated.

Cost of Leasehold Land is amortised based on quantity of limestone / marl extracted during the year out of estimated deposit available for mining.

Items of PPE costing up to ₹ 5,000/- are fully depreciated in the year of purchase / capitalisation.

Depreciation of an asset ceases at the earlier of the date, the asset is retired from active use and is held for disposal and the date, the asset is derecognised.

1.5 Non-current assets held for sale

Items of PPE, which are retired from active use and held for disposal and where the sale is highly probable, are classified under Other Current Assets. The same are carried at the lower of their carrying amounts and fair value less estimated costs to sell. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

1.6 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis as per Schedule II to the Companies Act, 2013. Intangible assets being computer software are amortised over a period of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

1.7 Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the 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 for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Inventories

Inventories are valued as follows

Raw materials, Packing materials, Fuels and Stores and spare parts - At cost or net realisable value, whichever is lower. Cost is derived on moving weighted average basis.

Work-in-progress (WIP), Finished goods and Stock-in-trade - At cost or net realisable value, whichever is lower. Cost of Finished goods and WIP includes all direct costs and other related factory overheads incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

1.9 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit / (loss) for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value

1.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised net of income earned on temporary investments from such borrowings. All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs

1.11 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

1.12 Revenue Recognition

i. Revenue from Contracts with Customers

Revenue from contracts with customers for sale of goods is recognised when the Group satisfies performance obligation by transferring promised goods to the customer at an amount that reflects the consideration which the Group is expected to be entitled to in exchange for those goods. Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of the goods on its receipt.

Revenue is measured at the amount of transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns, incentives and applicable Goods and Services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales rebates, discounts and incentives.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to avail various products. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or on expiry.

In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

ii. Other Operating Revenue – Export entitlement

Export entitlements are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to their claims are fulfilled.

iii. Income Recognition

Claims for Insurance are accounted on certainty of acceptance thereof by the Insurer.

Dividend income from investments is recognised when the Group's right to receive dividend is established.

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

1.13 Leases

As a Lessee:

The Group's leased assets consist of leases for buildings. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

Rent Concessions:

For rent concessions occurring as a direct consequence of COVID-19 pandemic, the Group has applied practical expedient provided in the amendment to Ind AS 116, as notified by Ministry of Corporate Affairs on July 24, 2020.

As a Lessor:

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income as per the terms of the lease as part of 'other income'.

The accounting policies applicable to the Group as a lessor in the comparative period were not different from Ind AS 116. However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

1.14 Employee Share-based Payments

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The dilutive effect of outstanding options is reflected as share dilution in the computation of diluted earnings per share, unless it is anti-dilutive.

1.15 Employee benefits

i. Short-term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss for the year in which the related service is rendered.

ii. Long-term employee benefits

a. Defined Contribution Plan:

Provident and Family Pension Fund:

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to Regional Provident Fund Commissioner, Rajkot, Gujarat. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the Consolidated Statement of Profit and Loss as incurred.

Superannuation Fund:

The eligible employees of the Company are entitled to receive post employment benefits in respect of Superannuation fund, in which the Company makes annual contribution at a specified percentage of the employee's eligible salary (currently 15%) subject to maximum of ₹ 1.50 lacs. The contributions are made to Life Insurance Corporation of India. Superannuation Fund is classified as Defined Contribution Plan as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the Consolidated Statement of Profit and Loss as incurred.

b. Defined Benefit Plan:

Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Consolidated Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Consolidated Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI). Remeasurement is not reclassified to Consolidated Statement of Profit and Loss in subsequent periods. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation.

Compensated absences:

The Company provides for encashment of absence or absence with pay subject to certain rules. The employees are entitled to accumulate absences subject to certain limits for future encashment / availment. The liability is recognised based on number of days of unutilised leave at each Consolidated Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Statement of Profit and Loss in the period in which they arise.

1.16 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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

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

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

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.17 Earnings Per Share

The basic earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity and dilutive equity equivalent shares outstanding during the reporting period.

1.18 Foreign Currency Transactions

Transactions in foreign currencies (Monetary or Non-monetary items) are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or expense in the Consolidated Statement of Profit and Loss for the period in which they arise.

1.19 Financial Instruments

Financial assets and Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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

Classification and Subsequent Measurement: Financial Assets:

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

Fair Value through OCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset 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.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or ‘other financial liabilities’.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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

Impairment of Financial Assets:

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

For Trade Receivables, in view of the Group's credit policy and past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for doubtful debts based on specific identification. The Group will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

Derecognition of Financial Assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Financial liabilities and equity instruments:

- **Classification as Debt or Equity:**

  Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity Instruments:**

  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

  Equity instruments issued by the Group are recognised at the proceeds received.

Derecognition of Financial Liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

1.20 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Events of material size or nature that are indicative of conditions that arose after the reporting period are only disclosed.

1.21 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the consolidated financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements:

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised based upon the likely timing and the level of future taxable profits. Also refer Note 33.

Property, Plant and Equipment / Intangible Assets:

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisaion for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised / depreciable amount is charged over the remaining useful life of the assets.

Defined Benefit Plans:

The cost of the defined benefit gratuity plan and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer Note 36.

Fair Value measurements of Financial Instruments:

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

Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future ouflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, risk free rate and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 40.

Leases:

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

1.22 Recent Pronouncement

The Ministry of Corporate Affairs ("MCA") through a notification of March 24, 2021, amended Schedule III to the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules, 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'Financial Liabilities', duly distinguished as current or non-current (presently also followed).
- Certain additional disclosures in the Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible assets under development.
- If the Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then to disclose details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to those as required by law.

Note 2
Property, Plant and Equipment

₹ in lakhs

	Gross Block				Depreciation, Amortisation and Impairment				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Land										
Freehold (Refer Note c)	**26,040.15**	**-**	**-**	**26,040.15**	**-**	**-**	**-**	**-**	**26,040.15**	26,040.15
Leasehold (Refer Note a)	**322.89**	**-**	**-**	**322.89**	**67.56**	**9.28**	**-**	**76.84**	**246.05**	255.33
Buildings (Refer Notes b and c)	**5,150.69**	**39.38**	**-**	**5,190.07**	**2,633.57**	**80.87**	**-**	**2,714.44**	**2,475.63**	2,517.12
Plant and Equipment (Refer Note d)	**25,466.57**	**604.50**	**89.59**	**25,981.48**	**14,041.19**	**584.62**	**85.60**	**14,540.21**	**11,441.27**	11,425.38
Furniture and Fixtures	**1,559.56**	**59.17**	**-**	**1,618.73**	**1,021.40**	**90.59**	**-**	**1,111.99**	**506.74**	538.16
Vehicles (Refer Note e)	**1,791.31**	**114.42**	**181.11**	**1,724.62**	**1,071.09**	**143.74**	**109.19**	**1,105.64**	**618.98**	720.22
Computers	**415.46**	**24.85**	**-**	**440.31**	**388.33**	**11.70**	**-**	**400.03**	**40.28**	27.13
Office Equipment	**754.13**	**59.58**	**0.81**	**812.90**	**645.66**	**32.16**	**0.59**	**677.23**	**135.67**	108.47
Total	**61,500.76**	**901.90**	**271.51**	**62,131.15**	**19,868.80**	**952.96**	**195.38**	**20,626.38**	**41,504.77**	41,631.96

Capital Work-in-progress

	Gross Block				Impairment				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Capital Work-in-progress	**100.70**	**117.07**	**206.57**	**11.20**	**-**	**-**	**-**	**-**	**11.20**	100.70

Right-of-use Assets

	Gross Block				Depreciation				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Right-of-use Assets (Refer Note 41)	**423.76**	**4.09**	**160.69**	**267.16**	**108.31**	**95.59**	**32.33**	**171.57**	**95.59**	315.45

Other Intangible Assets

	Gross Block				Amortisation				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	126.57	7.34	-	133.91	113.34	7.83	-	121.17	12.74	13.23
Membership Fees	78.97	-	-	78.97	78.97	-	-	78.97	-	-
Total	**205.54**	**7.34**	**-**	**212.88**	**192.31**	**7.83**	**-**	**200.14**	**12.74**	13.23

Intangible Assets under Development

	Gross Block				Impairment				Net Block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Intangible Assets under Development	**-**	**76.75**	**-**	**76.75**	**-**	**-**	**-**	**-**	**76.75**	-

Notes :

a. Leasehold land is acquired for mining purpose. The land cannot be sold without permission of the Collector.

b. Two residential flats in Mumbai have been mortgaged to HDFC Bank Limited as security for providing Bank Guarantees and Letters of Credit.

c. Factory Land and Building is mortgaged as security for Cash Credit facility given by HDFC Bank Limited (Refer Note 19).

d. Plant and Equipment are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant (Refer Note 16.1).

e. The deductions under the gross block of Vehicles, for the year ended March 31, 2021, includes an amount of ₹ 74.39 lakhs, which is in respect of certain vehicles held for disposal. The same is classified under other current assets in Note 13 at lower of its carrying amount and fair value less estimated costs to sell. In this respect, loss of ₹ 6.00 lakhs has been recognised in the Consolidated Statement of Profit and Loss under Other Expenses - Miscellaneous Expenses.

₹ in lakhs

	Gross Block				Depreciation and Amortisation			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Land									
Freehold	26,040.15	-	-	26,040.15	-	-	-	-	26,040.15
Leasehold (Refer Note a)	304.39	18.50	-	322.89	61.73	5.83	-	67.56	255.33
Buildings (Refer Note b)	5,141.88	11.54	2.73	5,150.69	2,554.95	79.98	1.36	2,633.57	2,517.12
Plant and Equipment (Refer Note c)	26,512.37	550.27	1,596.07	25,466.57	14,923.81	580.36	1,462.98	14,041.19	11,425.38
Furniture and Fixtures	1,467.90	91.66	-	1,559.56	924.60	96.80	-	1,021.40	538.16
Vehicles	1,669.93	235.59	114.21	1,791.31	983.41	148.36	60.68	1,071.09	720.22
Computers	408.62	7.94	1.10	415.46	379.35	10.02	1.04	388.33	27.13
Office Equipment	728.63	27.01	1.51	754.13	604.36	42.51	1.21	645.66	108.47
Total	62,273.87	942.51	1,715.62	61,500.76	20,432.21	963.86	1,527.27	19,868.80	41,631.96

Capital Work-in-progress

	Gross Block				Impairment			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Capital Work-in-progress	7.22	102.02	8.54	100.70	-	-	-	-	100.70

Right-of-use Assets

	Gross Block							Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Right-of-use Assets (Refer Note 41)	47.05	378.93	2.22	423.76	-	108.69	0.38	108.31	315.45

Other Intangible Assets

	Gross Block				Amortisation			Net Block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Computer Software	118.87	7.70	-	126.57	105.98	7.36	-	113.34	13.23
Membership Fees	78.97	-	-	78.97	78.97	-	-	78.97	-
Total	197.84	7.70	-	205.54	184.95	7.36	-	192.31	13.23

Notes :

a. Leasehold land is acquired for mining purpose. The land cannot be sold without permission of the Collector.

b. Two residential flats in Mumbai have been mortgaged to HDFC Bank Limited assecurity for providing Bank Guarantees and Letters of Credit.

c. Plant and Equipment are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant (Refer Note 16.1).

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
3	**Investments : Non-current**		
	Investments measured at Amortised cost		
	In Government Securities		
	Unquoted		
	6 Years National Savings Certificates		
	(Maintained as security deposit with Government authorities)	**0.14**	0.14
	Investments measured at Fair Value through Other Comprehensive Income (FVTOCI)		
	In Equity Instruments of Others		
	Quoted		
	1,36,58,267 (Previous Year : 1,36,58,267) Equity Shares of Saurashtra Cement Limited of ₹ 10 each, fully paid up *	**8,652.52**	3,837.98
	Unquoted		
	9,20,000 (Previous Year : 21,20,000) Equity Shares of Bhadreshwar Vidyut Private Limited (Formerly known as OPGS Power Gujarat Pvt. Ltd.) of ₹ 0.10 each, fully paid up	**1.75**	4.03
		8,654.41	3,842.15
	Aggregate amount of		
	Quoted Investments	**8,652.52**	3,837.98
	Unquoted Investments	**1.89**	4.17
	Impairment in value of Investments	**-**	-
		8,654.41	3,842.15
	Aggregate Market Value of Quoted Investments	**8,652.52**	3,837.98
	* Refer Note 16.1 for information on investment in Equity Shares of Saurashtra Cement Limited pledged as security.		

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
4	**Loans : Non-current**		
	Considered Good - Unsecured		
	Security Deposits	**84.34**	63.68
	Staff Loans	**4.04**	3.12
		88.38	66.80
	Loan Receivables which have significant increase in creadit risk	**-**	-
	Loan Receivables - credit impaired		
	Other Loans and advances	**323.92**	323.92
		412.30	390.72
	Less : Provision for Impairment	**323.92**	323.92
		88.38	66.80

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
5	**Other Financial Assets : Non-current**		
	Deposits with Banks (maturity after twelve months from the date of Consolidated Balance Sheet)		
	Kept as Margin money against Guarantees and Letters of Credit	**48.34**	292.56
	Kept as Security against Overdraft facilities (Refer Note 19)	**-**	62.10
	Others	**8.27**	12.78
		56.61	367.44

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
6	**Other Non-current Assets**		
	Capital Advances	**34.21**	67.58
	Advances other than Capital Advances		
	Taxes paid	**13.21**	310.76
	Pre-deposit Balances with Statutory / Government Authorities against Appeals	**181.52**	181.52
	Prepaid Expenses	**3.46**	9.14
		232.40	569.00

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
7	**Inventories**		
	Raw Materials	**1,132.50**	260.55
	Raw Materials-in-transit	**-**	0.13
	Packing Materials	**201.54**	135.52
	Work-in-progress	**1,348.01**	1,756.61
	Finished Goods	**531.62**	583.07
	Stores and Spares	**1,264.27**	1,221.47
	Stores and Spares-in-transit	**-**	132.47
	Fuel	**1,474.12**	289.24
	Fuel-in-transit	**1,226.87**	1,897.81
		7,178.93	6,276.87

7.1 The cost of inventories recognised as an expense during the year is ₹ 10,437.96 lakhs (Previous Year : ₹ 8,501.47 lakhs) as included in Notes 27 and 28.

7.2 There has been no write down of inventory or reversal of such write down in current and previous year except as stated in Note 31.1.

7.3 For mode of valuation of inventories : Refer Note 1.8

7.4 Inventories are hypothecated as security for Term Loan given by HDFC Bank Limited for Waste Heat Recovery Power Plant and Cash Credit facility. (Refer Notes 16.1 and 19)8 Trade Receivables

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
8	**Trade Receivables**		
	Unsecured		
	Considered Good	**1,771.02**	2,122.25
	Trade Receivables - credit impaired	**9.66**	9.66
		1,780.68	2,131.91
	Less : Provision for Impairment	**9.66**	9.66
		1,771.02	2,122.25

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
9	**Cash and Cash Equivalents**		
	Balances with Banks		
	In Current Accounts	**214.18**	61.70
	In Fixed Deposits (Original maturity of three months or less)	**385.58**	325.15
		599.76	386.85

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
10	**Bank Balances other than Cash and Cash Equivalents**		
	Deposits with Banks (maturity below twelve months from the date of Consolidated Balance Sheet)		
	Kept as Margin money against Guarantees and Letters of Credit	**999.39**	1,202.52
	Kept as Security against Overdraft facilities (Refer Note 19)	**3,300.47**	3,337.37
	Others	**3,704.07**	607.76
		8,003.93	5,147.65
	Earmarked Balances		
	For Unpaid Equity Dividend	**17.68**	34.72
	For Money received on sale of fractional shares	**-**	0.21
		17.68	34.93
		8,021.61	5,182.58

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
11	**Loans : Current**		
	Considered Good - Unsecured		
	Staff Loans	**19.61**	8.81
		19.61	8.81

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
12	**Other Financial Assets : Current**		
	Interest Accrued on Fixed Deposits	**192.24**	213.85
	Others	**18.14**	-
		210.38	213.85

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
13	**Other Current Assets**		
	Considered Good - Unsecured		
	Advances against purchase of Raw Materials, Stores and Spares	**117.01**	144.12
	Advance Royalty on Limestone / Marl	**154.24**	190.62
	Balances with Statutory / Government Authorities	**11.54**	33.04
	Prepaid Expenses	**127.14**	129.44
	Others	**95.71**	52.56
		505.64	549.78
	Non-current Assets held for disposal [Refer Note 2(e)]	**23.90**	-
	Considered Doubtful		-
	Advances against purchase of Stores and Spares	**-**	1.60
		529.54	551.38
	Less : Provision for Doubtful advances	**-**	1.60
		529.54	549.78

		As at March 31, 2021		As at March 31, 2020	
		Numbers	**₹ in lakhs**	Numbers	₹ in lakhs
14	**Equity Share Capital**				
a.	**Authorised**				
	Equity Shares of ₹ 10 par value	**500,000,000**	**50,000.00**	500,000,000	50,000.00
b.	**Issued**				
	Equity Shares of ₹ 10 par value	**88,254,950**	**8,825.49**	87,478,469	8,747.84
c.	**Subscribed :**				
	Equity Shares of ₹ 10 par value	**88,254,950**	**8,825.49**	87,478,469	8,747.84
d.	**Paid up :**				
	Equity Shares of ₹ 10 par value, fully paid up	**88,201,870**	**8,820.19**	87,425,389	8,742.54
	Add : Forfeited Shares		5.30		5.30
			8,825.49		8,747.84

e. Rights, preferences and restrictions :

i. The Company has only one class of Equity Shares referred to as Equity Shares having a par value of ₹ 10. Each holder of equity share is entitled to one vote per share.

ii. The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.

iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.

iv. In respect of Share-based Payments to Employees, that is, granting of Employee Stock Options - Refer Note 40.

f. Shares of Company held by its Parent :	As at March 31, 2021		As at March 31, 2020	
	Numbers	**₹ in lakhs**	**Numbers**	**₹ in lakhs**
Bhadra Textiles and Trading Private Limited (Refer Note 44)	**48,800,000**	**4,880.00**	48,800,000	4,880.00

g. Details of shares in the Company held by each shareholder holding more than 5 per cent shares :

S. No.	Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
		No. of shares	**% of share holding**	No. of shares	% of share holding
i.	Bhadra Textiles and Trading Private Limited (Refer Note 44)	**48,800,000**	**55.33**	48,800,000	55.82
ii.	GIIC Limited	**8,252,697**	**9.36**	8,252,697	9.44

h. Reconciliation of number of Equity Shares and Paid up Equity Share Capital :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	**₹ in lakhs**	No. of shares	₹ in lakhs
Balance as at the beginning of the year	**87,425,389**	**8,742.54**	86,912,760	8,691.28
Add : Shares issued during the year on exercise of Employee Stock Options	**776,481**	**77.65**	512,629	51.26
Balance as at the end of the year	**88,201,870**	**8,820.19**	87,425,389	8,742.54

i. Details of Equity Shares reserved for issue under Share Options Outstanding at the end of the year :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	**₹ in lakhs**	No. of shares	₹ in lakhs
Equity Shares reserved for issue under Employee Stock Options	**1,452,543**	**145.25**	1,673,376	167.34

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
15 Other Equity		
i. Share Application Money pending allotment	**0.20**	64.71
ii. Reserves and Surplus		
a. Capital Reserve		
Government Subsidy	**26.95**	26.95
Capital Reduction Account	**6,921.68**	6,921.68
On Consolidation	**8.58**	8.58
	6,957.21	6,957.21
b. Securities Premium		
Balance as at the beginning of the year	**310.84**	183.35
Add : Exercise of Employee Stock Options	**193.00**	127.49
	503.84	310.84
c. Share Options Outstanding		
Balance as at the beginning of the year	**526.82**	403.68
Add : Share-based Payments to Employees	**79.49**	250.63
Less : Exercise of Employee Stock Options	**(193.00)**	(127.49)
Less : Unvested Employee Stock Options Lapsed	**(8.24)**	-
Less : Vested Employee Stock Options Lapsed	**(27.04)**	-
	378.03	526.82

d.	**Retained Earnings**		
	Balance as at the beginning of the year	**27,971.37**	24,574.74
	Add / (Less) : Profit / (Loss) for the year	**3,054.50**	4,483.94
	Add / (Less) : Remeasurement gain / (loss) on Defined Benefit Plan (net of tax)	**(23.37)**	(33.35)
	Add : Vested Employee Stock Options Lapsed	**27.04**	-
	Less : Appropriations		
	Dividend on Equity Shares	**-**	(874.25)
	Dividend Distribution Tax	**-**	(179.71)
		31,029.54	27,971.37
iii.	**Equity Instruments through Other Comprehensive Income**		
	Balance as at the beginning of the year	**(7,015.42)**	(4,358.89)
	Add / (Less) : Effect of measuring Equity Instruments at Fair Value	**4,814.54**	(2,656.53)
		(2,200.88)	(7,015.42)
		36,667.94	28,815.53

The description of the nature and purpose of each reserve within equity is as follows :

a. Share application money pending allotment

It represents share application money received from employees on exercise of stock options for which allotment of 2,000 equity shares (Previous Year : 6,47,051 equity shares) is pending as at the year end.

b. Capital Reserve

It represent gains of capital nature. Capital reserve is mainly on account of reduction of paid up capital in earlier year in pursuance of Hon'ble BIFR order. It also consists of Government Subsidy received in earlier years.

c. Securities Premium

It represents those share based payments to employees for which stock options have been exercised by employees.

d. Share Options Outstanding

The Company has Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017) under which options to subscribe for the Company's shares have been granted to the senior management and executives from middle management. This reserve is used to recognise the value of equity settled share-based payments provided to option grantees. Refer Note 40 for further details.

e. Retained Earnings

Retained Earnings are the profits that the Group has earned, net of amount distributed as dividends and including adjustments on account of transition to Ind AS.

f. Equity Instruments through Other Comprehensive Income

This represents cumulative gains / (losses) arising on the measurement of equity shares at fair value through other comprehensive income.

	Non-Current		Current maturities of Long-term borrowings *	
	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
16 Borrowings : Non-current				
Secured				
Term Loans				
From Banks	**1,267.99**	2,096.20	**847.26**	879.85
From Other Parties	**-**	-	**-**	9.56
	1,267.99	2,096.20	**847.26**	889.41

* Amounts disclosed under the head 'Other Financial Liabilities : Current' (Note 21).

16.1 Security and Repayment Terms:

i. Term Loan from HDFC Bank Limited is secured by exclusive First charge on Plant and Machinery including Waste Heat Recovery Power Plant and Current Assets of the Company. This is further secured by personal guarantee of one of the Promoter Directors, Corporate guarantee of Subsidiary Company and pledge of One Crore Equity Shares of Saurashtra Cement Limited held by Subsidiary Company. The Term Loan is repayable in Quarterly Instalments by August, 2023 and interest @ 8.85% p.a. w.e.f. October, 2020 is payable every month, 9.90% p.a. upto September, 2020 (Previous Year : 9.90% p.a. w.e.f. October, 2019, 10.20% p.a. upto September, 2019).

ii. Term loans from Banks/other parties in respect of finance availed for purchase of vehicles / equipment are secured by hypothecation of vehicles / equipment financed by them. The Loans are repayable in monthly equated installments over period of 3 to 5 years carrying interest rates ranging from 8% to 10% p.a.

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
17 Provisions : Non-current		
For Employee Benefits (Refer Note 36)		
Gratuity	**784.42**	813.58
Compensated absences	**319.70**	293.95
	1,104.12	1,107.53

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
18 Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities (Refer Note 33)	**8,576.87**	8,556.41
Deferred Tax Assets (Refer Note 33)	**(3,036.17)**	(3,935.88)
	5,540.70	4,620.53

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
19	**Borrowings : Current**		
	Secured		
	Loans repayable on demand from Banks		
	Cash Credit	**1,000.17**	-
	Overdraft facilities	**715.23**	1,475.77
		1,715.40	1,475.77

Cash Credit is secured by first charge by way of hypothecation of current assets, namely stocks of raw materials, semi finished and finished goods, consumable stores and spares, bills receivables, book debts, both, present and future and carries interest rate @ 8.30% p.a. It is also secured by Equitable Mortgage of Factory Land and Building and personal guarantee of one Director of the Company.

Overdraft facilities from bank is secured against lien of FDRs of ₹ 3,300.47 lakhs (Previous Year : ₹ 3,399.47 lakhs) - Refer Notes 5 and 10.

The interest rate on Overdraft facilities is 0.50% higher than the interest rate on corresponding lien marked fixed deposits.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
20	**Trade Payables**		
	Due to Related Party [Refer Note 38.2(B)(ii)]	**28.98**	133.24
	Due to Micro enterprises and Small enterprises	**38.72**	90.77
	Due to others	**4,743.90**	5,936.25
		4,811.60	6,160.26
	Additional disclosure under The Micro, Small and Medium Enterprises Development Act, 2006 :		
i.	Principal amount remaining unpaid	**38.72**	90.77
ii.	Interest accrued on the above amount and remaining unpaid	**-**	-
iii.	Payment made to suppliers (other than interest) beyond the appointed day during the year	**-**	-
iv.	Interest paid in terms of Section 16	**-**	-
v.	Interest due and payable for payments already made	**-**	-
vi.	Interest accrued and remaining unpaid	**-**	-
vii.	Amount of further interest remaining due and payable even in succeeding years	**-**	-

The above information has been determined to the extent such parties could be identified on the basis of information available with the Group regarding the status of suppliers under the MSME.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
21	**Other Financial Liabilities : Current**		
	Current maturities of Long-term borrowings *		
	Term Loans		
	From Banks	**847.26**	879.85
	From Others	**-**	9.56
	Unpaid Dividend	**17.68**	34.72
	Unclaimed money against sale of fractional shares	**-**	0.21
	Security Deposits from Customers / Transporters	**618.28**	605.91
	Security Deposits - Others	**8.15**	11.92
	Remuneration Payable to Key Managerial Personnel [Refer Note 38.2(B)(i)]	**171.23**	122.57
	Liabilities for expenses at the year-end	**448.62**	760.94
	Others	**17.93**	16.93
		2,129.15	2,442.61

* Refer Note 16.1 for security given.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
22	**Other Current Liabilities**		
	Advances from Customers	**1,685.45**	1,969.45
	Advance against sale of Non-current Assets held for disposal [Refer Note 2(e)]	**24.02**	-
	Unearned Revenue	**531.32**	426.95
	Statutory Dues	**3,992.27**	2,964.46
	Others	**62.46**	72.97
		6,295.52	5,433.83

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
23	**Provisions : Current**		
	For Employee Benefits (Refer Note 36)		
	Gratuity	**252.49**	214.17
	Compensated absences	**153.43**	138.08
		405.92	352.25

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
24	**Current Tax Liabilities (Net)**		
	Provision for Taxation	**878.63**	1,155.01
	Less : Taxes Paid	**681.37**	1,084.14
		197.26	70.87

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
25 Revenue from Operations		
Sale of Products	**56,250.78**	58,307.54
Other Operating Revenue	**318.71**	168.13
	56,569.49	58,475.67

25.1 Sales by Performance Obligations

Performance obligations are satisfied at a point in time, i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
25.2 Revenue from contracts with customers		
A Revenue from contracts with customers disaggregated based on nature of products or services		
Revenue from Sale of Products		
Cement	**52,196.68**	53,719.08
Clinker	**4,054.10**	4,588.46
	56,250.78	58,307.54
Other Operating Revenue		
AFR Processing Income	**76.82**	47.01
Scrap Sales	**241.89**	121.12
	318.71	168.13
	56,569.49	58,475.67
B Revenue from contracts with customers disaggregated based on geography		
Domestic	**56,569.49**	58,475.67
	56,569.49	58,475.67
25.3 Reconciliation of contract price with Revenue from Operations		
Contract price	**57,278.83**	59,261.41
Add : Transfer from Unearned Revenue to Revenue	**134.87**	167.15
	57,413.70	59,428.56
Less:		
Discounts and Rate differences	**921.15**	926.68
Incentives and Schemes	**228.18**	181.44
Customer's loyalty programme	**11.05**	7.02
Others	**2.54**	5.88
Revenue from Sale of Products	**56,250.78**	58,307.54
Add : Other Operating Revenue	**318.71**	168.13
Revenue from Operations	**56,569.49**	58,475.67

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
26 Other Income		
Interest Income on		
Financial Assets measured at amortised cost		
Fixed Deposits with Banks	**345.01**	366.22
Loans	**2.24**	9.98
Income Tax Refund	**46.76**	0.01
Others	**5.99**	0.29
	400.00	376.50
Dividend Income	**136.58**	239.02
Insurance claim [includes ₹ 56.41 lakhs (Previous Year : ₹ Nil) on damaged PPE]	**59.94**	0.99
Provision no longer required Written back	**35.21**	12.47
Provision for Doubtful Debts / Advances Written back	**1.60**	19.25
Less : Bad Debts / Advances written off	**1.60**	13.25
	-	6.00
Sundry credit balances Written back	**42.35**	83.37
Exchange Rate Fluctuation (net)	**123.46**	-
Sales Tax refund	**0.91**	3.93
Miscellaneous Income [Refer Note 41(H)]	**77.16**	32.30
	875.61	754.58

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
27 Cost of Materials Consumed		
Raw Materials		
Opening Stock	**260.68**	485.03
Add: Purchases	**6,479.24**	4,603.86
Less: Closing Stock	**1,132.50**	260.68
	5,607.42	4,828.21
Royalty, Cess and Limestone raising cost		
Limestone raising and Transportation	**1,641.99**	1,709.92
Royalty	**845.83**	832.02
District Mineral Fund (DMF) and others	**270.67**	266.25
	2,758.49	2,808.19
Packing Materials		
Opening Stock	**135.52**	71.99
Add: Purchases	**1,678.02**	1,424.84
Less: Closing Stock	**201.54**	135.52
	1,612.00	1,361.31
	9,977.91	8,997.71

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
28 Changes in inventories of Finished Goods and Work-in-progress		
Opening Stock		
Finished Goods	**583.07**	411.12
Work-in-progress	**1,756.61**	1,432.32
	2,339.68	1,843.44
Less : Closing Stock		
Finished Goods	**531.62**	583.07
Work-in-progress	**1,348.01**	1,756.61
	1,879.63	2,339.68
	460.05	(496.24)

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
29 Employee Benefits Expenses		
Salaries and Wages	**3,853.19**	3,574.83
Share-based Payments to Employees (Refer Note 40) *	**71.25**	250.63
Contribution to Provident and Other Funds	**229.98**	227.78
Gratuity Expense	**103.07**	114.05
Staff Welfare Expenses	**58.14**	57.30
	4,315.63	4,224.59

* Net off reversal of ₹ 8.24 lakhs (Previous Year : ₹ Nil) due to lapse of Unvested Employee Stock Options.

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
30 Finance Costs		
Interest expense	**294.49**	470.43
On Borrowings		
On Duties and Taxes	**92.68**	89.87
On Others	**50.34**	113.13
Other Borrowing Costs	**66.85**	19.23
	504.36	692.66

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
31 Other Expenses		
Power and Fuel	**17,819.16**	18,456.45
Consumption of Stores and Spares (Refer Note 31.1)	**2,147.34**	2,007.22
Repairs and Maintenance		
Buildings	**92.48**	106.46
Machinery	**1,126.38**	1,029.36
Others	**434.09**	388.68
	1,652.95	1,524.50

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Cement Packing Expenses	**570.91**	502.93
Insurance	**140.66**	131.72
Rent (Refer Note 41)	**196.31**	207.65
Rates and Taxes	**21.99**	39.40
Travelling and Conveyance Expenses	**49.81**	103.15
Exchange rate fluctuation (net)	**-**	79.46
Legal and Professional Charges	**212.80**	186.47
Freight Outward and Handling Expenses	**10,522.77**	11,660.80
Commission	**1,098.52**	1,030.48
Advertisement and Sales Promotion Expenses	**857.30**	994.17
Payments to the Auditors		
For Statutory Audit	**12.16**	12.12
For Tax Audit	**3.60**	3.00
For Limited Review	**4.00**	2.00
For Other services - Certification Work	**0.96**	1.20
	20.72	18.32
Directors' Sitting Fees	**55.80**	43.05
Donation	**78.48**	6.50
Loss on Sale / Discard of Property, Plant and Equipment (net)	**6.71**	138.19
Corporate Social Responsibility (CSR) Expenditure (Refer Note 32)	**57.79**	-
Miscellaneous Expenses	**754.75**	864.08
	36,264.77	37,994.54

31.1 It includes ₹ Nil (Previous Year : ₹ 34.82 lakhs) on account of write down of Stores and Spares to net realisable value.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
32	**Particulars of Corporate Social Responsibility (CSR) Expenditure**		
	Gross amount required to be spent by the Company during the year	**56.11**	-
	Amount spent and paid on CSR activities included in the Consolidated Statement of Profit and Loss for the year :		
	Nature of Expenses specified in Schedule VII to the Companies Act, 2013		
	Rural Development	**2.79**	-
	Promoting Preventive Health Care, Environment and Sanitation	**55.00**	-
		57.79	-

For the year ended March 31, 2020, since the average net profit of the Company for preceding three financial years was negative, the amount to be spent on Corporate Social Responsibility (CSR) activities under the Companies Act, 2013 was Nil and the Company did not spend any amount on CSR.

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
33	**Disclosure pursuant to Ind AS 12 on "Income Taxes"**		
33.1	**Components of Tax expenses / (income)**		
	a. Profit or Loss section		
	i. Current Tax	**1,385.57**	1,155.01
	ii. (Excess) / Short Provision of Tax of Earlier Years		
	Current Tax	**0.15**	4.13
	Deferred Tax - MAT credit entitlement	**(0.15)**	-
	Total (Excess) / Short Provision of Tax of Earlier Years	**-**	4.13
	iii. Deferred Tax		
	In respect of current year origination and reversal of temporary differences	**425.93**	2,247.26
	MAT credit entitlement	**-**	(1,153.26)
	Total Deferred Tax	**425.93**	1,094.00
	Income Tax expense / (income) reported in the Profit or Loss section	**1,811.50**	2,253.14
	b. Other Comprehensive Income section		
	Remeasurement of Defined Benefit Plan	**(12.56)**	(17.92)
	Income Tax expense / (income) reported in Other Comprehensive Income section	**(12.56)**	(17.92)
33.2	**Reconciliation of Income Tax expense / (income) and Accounting Profit multiplied by domestic tax rate applicable in India**		
	Profit / (loss) before tax	**4,866.00**	6,737.08
	Applicable Tax Rate	**34.944%**	34.944%
	Tax on Accounting Profit	**1,700.38**	2,354.21
	Tax effect of :		
	Deductible items	**(145.43)**	(197.88)
	Non Deductible items	**153.00**	116.21
	Income exempt from tax	**-**	(83.52)
	Brought forward unused tax losses	**(308.32)**	(2,188.01)
	Deductions under Chapter VI-A	**(35.21)**	-
	Different Applicable Tax rate in subsidiary	**(1.03)**	(0.26)
	Subsidiary's taxable income under normal provisions of Income-tax Act, 1961	**(2.99)**	(0.75)
	Adjustments in respect of tax of earlier years	**-**	4.13
	Book Profit under MAT	**25.17**	1,155.01
	Current Tax (A)	**1,385.57**	1,159.14
	Deferred Tax Liability recognised	**20.46**	206.71
	Deferred Tax Asset reversed	**405.47**	2,040.55
	MAT Credit entitlement	**-**	(1,153.26)
	Deferred Tax (B)	**425.93**	1,094.00
	Tax expense / (income) recognised in Consolidated Statement of Profit and Loss (A+B)	**1,811.50**	2,253.14
	Effective Tax Rate	**37.23%**	33.44%

The tax rate used for reconciliation is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under Income-tax Act, 1961

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
33.3	**Deductible temporary differences arising from investments in Equity Shares of Saurashtra Cement Limited on which no DTA is created**	**3,844.79**	8,659.33

The Group has not recognised Deferred Tax Asset on deductible temporary differences arising from investment in Equity Shares of Saurashtra Cement Limited as the Group does not expect that there will be sufficient taxable income in the form of Capital Gains against which the Capital Loss on the said temporary difference can be utilised.

		As at April 1, 2020 ₹ in lakhs	Recognised in the Consolidated Statement of Profit and Loss	Recognised in OCI	MAT Credit utilised	As at March 31, 2021 ₹ in lakhs
33.4	**Components of Deferred Tax**					
a.	**Deferred Tax Assets :**					
	Accrued Expenses deductible on cash basis	457.48	**21.93**	-	-	**479.41**
	Lease Liabilities	125.08	**(87.53)**	-	-	**37.55**
	Provision for Gratuity and Leave Encashment	242.89	**5.01**	**12.56**	-	**260.46**
	Provision for Doubtful Debts and Advances	117.12	**(0.56)**	-	-	**116.56**
	Security Deposits	0.94	**(0.53)**	-	-	**0.41**
	Unused tax losses (Refer Note 33.5)					
	Unabsorbed Depreciation	343.79	**(343.79)**	-	-	-
	Unused tax credit - MAT Credit Entitlement (Refer Note 33.5)	2,648.58	**0.15**	-	**(506.95)**	**2,141.78**
		3,935.88	**(405.32)**	**12.56**	**(506.95)**	**3,036.17**
b.	**Deferred Tax Liabilities :**					
	Right-of-use Assets	110.23	**(76.82)**	-	-	**33.41**
	Property, Plant and Equipment and Other Intangible Assets	8,446.18	**97.28**	-	-	**8,543.46**
		8,556.41	**20.46**	-	-	**8,576.87**
	Deferred Tax Liabilities / (Asset) (Net)	**4,620.53**	**425.78**	**(12.56)**	**506.95**	**5,540.70**

		As at April 1, 2019 ₹ in lakhs	Recognised in the Consolidated Statement of Profit and Loss	Recognised in OCI	MAT Credit utilised	As at March 31, 2020 ₹ in lakhs
a	**Deferred Tax Assets :**					
	Accrued Expenses deductible on cash basis	435.61	21.87	-	-	457.48
	Lease Liabilities	-	125.08	-	-	125.08
	Provision for Gratuity and Leave Encashment	218.64	6.33	17.92	-	242.89
	Provision for Doubtful Debts and Advances	123.85	(6.73)	-	-	117.12
	Security Deposits	-	0.94	-	-	0.94
	Unused tax losses (Refer Note 33.5)					
	Business Loss	493.66	(493.66)	-	-	-
	Unabsorbed Depreciation	2,038.17	(1,694.38)	-	-	343.79
	Unused tax credit - MAT Credit Entitlement (Refer Note 33.5)	1,495.32	1,153.26	-	-	2,648.58
		4,805.25	(887.29)	17.92	-	3,935.88
b	**Deferred Tax Liabilities :**					
	Right-of-use Assets	-	110.23	-	-	110.23
	Property, Plant and Equipment and Other Intangible Assets	8,349.70	96.48	-	-	8,446.18
		8,349.70	206.71	-	-	8,556.41
	Deferred Tax Liabilities / (Asset) (Net)	3,544.45	1,094.00	(17.92)	-	4,620.53

33.5 In earlier years, the Company had recognised Deferred Tax Asset (DTA) on carry forward of unused tax losses and unused tax credit as the Management expected that the unsed tax losses will be adjusted against the taxable profits and unused tax credit will be utilised against the income tax liability as per the normal provisions of the Income-tax Act, 1961 in forseeable future. In view of profits for the year, the unused tax losses have been set off against such taxable profits. Consequently, there has been reversal of DTA of ₹ 343.79 lakhs (Previous Year : ₹ 2,188.04 lakhs). Further, there is also utilisation of unused tax credit against the regular income tax liability to the extent of ₹ 506.95 lakhs (Previous Year : ₹ Nil). The Management continues to believe that the balance unused tax credit of ₹ 2,141.78 lakhs will be utilised in forseeable future.

		As at March 31, 2021 ₹ in lakhs	**As at March 31, 2020 ₹ in lakhs**
34	**Contingent liabilities (to the extent not provided for)**		
	a. Claims against the Group not acknowledged as debt - matters under disputes / appeals :		
	i. Excise duty on Cement *	**3,429.15**	3,446.58
	ii. Customs Duty *	**72.85**	72.85
	iii. Service Tax *	**143.72**	143.72
	iv. Sales Tax / VAT	**452.73**	452.73
	v. Income Tax *	**383.32**	5.45
	vi. Octroi	**38.49**	38.49
	vii. Claims filed by workmen or their union against the Company	**7.16**	2.41
	viii. House Tax	**82.79**	82.79
	ix. Land Compensation	**442.90**	444.25
	x. Others	**17.50**	17.50

b. Other money for which the Company is contingently liable :

Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

*Amount paid under protest : ₹ 181.52 lakhs (Previous Year : ₹ 181.52 lakhs)

Notes :

i. The Group does not expect any reimbursement in respect of the above contingent liabilities.

ii. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the appellate proceedings.

iii. The amounts stated are including interest and penalty, to the extent demanded.

		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
35	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 34.21 lakhs, Previous Year : ₹ 67.58 lakhs)	**526.38**	321.93

36 Disclosure pursuant to Ind AS 19 on "Employee benefits"

36.1 Defined Contribution Plans

The Company's contribution to Provident Fund, Superannuation Fund and other funds aggregating to ₹ 229.98 lakhs (Previous Year : ₹ 227.78 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 29)

36.2 Defined Benefit Plan : Gratuity (Unfunded)

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under :

Features of the Defined Benefit Plan	**Remarks**
Benefit offered	15 / 26 × Salary × Duration of Service
Salary Definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	60 years

Gratuity is paid by the Company as and when it becomes due and is paid as per the scheme for Gratuity.

36.3 Risk to the Plan

i. Actuarial Risk :

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

ii. Asset Liability Matching Risk :

The plan faces the ALM risk as to the matching cash flow. The Company manages the cash flow based on its own liquidity as and when it becomes due.

iii. Liquidity Risk :

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

iv. Market Risk :

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence, the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

v. Mortality Risk :

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

vi. Legislative Risk :

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The Government may amend the Payment of Gratuity Act, 1972; thus, requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

			For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
			Gratuity Unfunded	Gratuity Unfunded
36.4	**i.**	**Changes in Present Value of Obligations:**		
		Present Value of Obligation at the beginning	**1,027.75**	994.72
		Current Service Cost	**41.00**	39.75
		Past Service Cost	**-**	-
		Interest Cost	**62.07**	74.30
		Actuarial (Gain) / Loss due to :		
		- Change in Demographic Assumptions	**-**	(2.71)
		- Change in Financial Assumptions	**(11.90)**	37.93
		- Experience Changes	**47.83**	16.05
		Benefits paid	**(129.85)**	(132.29)
		Present Value of Obligation as at the end	**1,036.90**	1,027.75
	ii.	**Amount recognised in the Consolidated Statement of Profit and Loss**		
		Current Service Cost	**41.00**	39.75
		Past Service Cost	**-**	-
		Interest Cost	**62.07**	74.30
			103.07	114.05

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
		Gratuity Unfunded	Gratuity Unfunded
	Components of Actuarial (Gain) / Loss :		
	Change in Demographic Assumptions	**-**	(2.71)
	Change in Financial Assumptions	**(11.90)**	37.93
	Experience Changes	**47.83**	16.05
		35.93	51.27
iv.	**Sensitivity Analysis for significant assumptions ***		
	Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
	1% increase in discount rate	**(38.40)**	(40.58)
	1% decrease in discount rate	**42.66**	45.00
	1% increase in salary escalation rate	**40.06**	43.99
	1% decrease in salary escalation rate	**(38.29)**	(40.40)
	1% increase in employee turnover rate	**3.12**	2.53
	1% decrease in employee turnover rate	**(3.45)**	(2.80)
v.	**Amount recognised in Consolidated Balance Sheet**		
	Gross value of Present Obligation at the end	**1,036.90**	1,027.75
vi.	**Maturity Profile of the Defined Benefit Obligation**		
	1st Following Year (Within next 12 months)	**256.99**	214.17
	2nd Following Year	**114.37**	99.23
	3rd Following Year	**146.21**	159.50
	4th Following Year	**157.72**	134.10
	5th Following Year	**102.86**	141.54
	Sum of Years 6 to 10	**347.11**	341.58
	Sum of Years 11 and above	**295.77**	312.47
vii.	**Assumptions**		
	Mortality Table - Indian Assured Life Mortality 2006-08	**2006-08**	2006-08
	Discount Rate	**6.33%**	6.04%
	Rate of increase in compensation levels	**5.00%**	5.00%
	Attrition Rate		
	For service 2 years and below	**15.00%**	15.00%
	For service 3 years to 4 years	**10.00%**	10.00%
	For service 5 years and above	**2.00%**	2.00%
viii.	Weighted average duration of Defined Benefit Obligation	**5 Years**	5 Years

ix. The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

x. The discount rate is based on the prevailing market yields of Government of India securities as at the Consolidated Balance Sheet date for the estimated term of the obligations which is 9 years.

* The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

37 Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

Operating Segments are those components of business whose operating results are regularly reviewed by the Managing Director of the Group to make decisions for performance assessment and resource allocation.

During the year, the Company was engaged in the business of manufacturing of Cement and Clinker, which is the only operating segment as per Ind AS 108.

38 Disclosure pursuant to Ind AS 24 on "Related Party Disclosures"

38.1 List of related parties :

i. Parent :
Bhadra Textiles and Trading Private Limited

ii. Ultimate Controlling Party :
Galaxy Technologies Private Limited

iii. Promoter companies together with its subsidiaries and associate companies holding more than 20% of the Equity Share Capital :

a. Saurashtra Cement Limited
b. Galaxy Technologies Private Limited
c. Shree Anandeya Investment Pvt. Ltd.
d. Pallor Trading Company Private Ltd.
e. The Mehta International Mauritius Limited
f. Treasurer's Trading Limited
g. GIIC Limited
h. Mehta Investments Mauritius Limited
i. Mehta Investments Pte Limited

iv. List of Key Management Personnel with whom transactions were carried out during the year :

a.	Mr. M. N. Mehta	Chairman
b.	Mr. Jay Mehta	Executive Vice Chairman
c.	Mr. M. S. Gilotra	Managing Director
d.	Mrs. Juhi Chawla Mehta	Non-Executive Director
e.	Mr. Hemnabh R. Khatau	Non-Executive Director
f.	Mr. Venkatesh Mysore	Non-Executive Director
g.	Mr. M. L. Tandon	Independent Director
h.	Mr. M. N. Sharma	Independent Director
i.	Mr. Ashwani Kumar	Independent Director
j.	Mrs. Bhagyam Ramani	Independent Director
k.	Mr. M. N. Rao	Independent Director
l.	Mr. Bimal R. Thakkar	Independent Director
m.	Mr. Kailash N. Bhandari	Independent Director
n.	Mr. Rahul B. Gupta *	Non-Executive Director

* Appointed w.e.f. May 19, 2020

v. **Enterprise having Key Management Personnel in common :**

Saurashtra Cement Limited

vi. **Enterprise over which Key Management Personnel are able to exercise significant influence, with whom there were transactions during the period :**

Mehta Private Limited

38.2 Transactions and Balances with related parties :

A Transactions with related parties :

		For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
i.	**Compensation paid / payable to Key Management Personnel * :**		
	(Short-term employee benefits)		
	a. Mr. Jay Mehta **	**449.24**	376.26
	b. Mr. M. S. Gilotra ***	**308.04**	261.63
	* As the liability for gratuity are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity.		
	** includes Commission of ₹ 97.85 lakhs (Previous Year : ₹ 40.86)		
	*** includes Commission of ₹ 73.38 lakhs (Previous Year : ₹ 27.24)		
ii.	**Transactions with Key Management Personnel :**		
	a. Directors sitting fees	**55.80**	43.05
	b. Dividend on Equity Shares	**-**	0.80
iii.	**Transactions with Associate - Saurashtra Cement Limited :**		
	a. Sale of goods, materials and stores and spares	**1,245.81**	58.77
	b. Expenses for services	**74.97**	154.41
	c. Dividend Income on Investment in Equity Shares	**136.58**	239.02
iv.	**Transactions with Associate - Mehta Private Limited :**		
	a. Rent paid	**32.76**	18.57
		As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
B	**Outstanding Balances as at the year-end**		
	i. Balances with Key Management Personnel :		
	Other Financial Liabilities : Current		
	a. Remuneration payable to Mr. M S Gilotra	**73.38**	49.28
	b. Remuneration payable to Mr. Jay M Mehta	**97.85**	73.29
	ii. Balance with Associate - Saurashtra Cement Limited :		
	Trade Payables	**28.98**	133.24
	iii. Personal Guarantee given by Mr. Jay Mehta for Term Loan given by HDFC Bank Ltd. (Refer Note 16.1)		
	Balance Term Loan outstanding	**1,740.33**	2,434.72
	iv. Corporate Guarantee given by Villa Trading Company Private Limited for Term Loan given by HDFC Bank Ltd. (Refer Note 16.1)		
	Balance Term Loan outstanding	**1,740.33**	2,434.72

C Terms and conditions of transactions and balances with related parties

i. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

ii. Outstanding balances at the year end are unsecured and interest free and settlement occurs through bank.

iii. There have been no guarantees provided or received for any related party transaction.

iv. The Group has not recorded any impairment of receivables relating to amounts owed by related parties during the current year and previous year.

39 Capital Management

The primary objective of group's capital management is to maximise the shareholder's value without having any adverse impact on interests of other stakeholders. At the same time, the Group strives to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's Capital Management, debt includes both current and non-current (including current maturities) borrowings and equity includes issued equity capital, securities premium and all other equity.

The Group monitors capital using Net Debt to Equity ratio, which is as under :

	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Total Debt (A)	**3,830.65**	4,461.38
Cash and Cash Equivalents and Fixed Deposits with Bank	**7,604.30**	4,331.98
Net Debt (B)	**(3,773.65)**	129.40
Total Equity (C)	**45,493.43**	37,563.37
Net Debt to Equity Ratio (B/C)	**NA**	0.00

40 Disclosure pursuant to Ind AS 102 on "Share-based Payment"

40.1 Gujarat Sidhee Employee Stock Option Scheme 2017

In the Annual General Meeting held on July 25, 2017, shareholders of the Company approved Gujarat Sidhee Employee Stock Option Scheme 2017 (ESOS 2017). The Nomination and Remuneration Committee at its meeting held on February 8, 2018 had approved grant of Stock Options under ESOS 2017 to the senior management and executives from middle management for their performance and to motivate them to contribute to the growth and profitability of the company as also to retain them. Each option carries the right to the holder to apply for one equity share of the company at par. The salient features of the Scheme are as below :

Particulars	Details
No. of Options	36,47,779
Date of Grant	February 8, 2018
Exercise Price (₹ per share)	10
Vesting Schedule	Graded Vesting : i) 33% of Options granted to be vested at 1st anniversary from the date of grant. ii) 33% of Options granted to be vested at 2nd anniversary from the date of grant. iii) 34% of Options granted to be vested at 3rd anniversary from the date of grant."
Exercise Period	5 years from the date of respective vesting
Fair Value on the date of Grant of Option (₹ per share)	24.16 (Vest 1), 24.87 (Vest 2), 26.53 (Vest 3) 25.20 (per Option)
Method of Settlement	Equity

40.2 Movement in Options Granted under ESOS 2017

Particulars	As at March 31, 2021 ₹ in lakhs	Weighted average exercise price per option (₹)	As at March 31, 2020 ₹ in lakhs	Weighted average exercise price per option (₹)
	Nos		Nos	
Outstanding at the beginning of the year	**1,673,376**	**10**	2,887,871	10
Granted during the year	**-**	**-**	-	-
Exercised during the year	**131,430**	**10**	1,158,680	10
Forfeited / lapsed during the year	**89,403**	**10**	55,815	10
Outstanding at the end of the year	**1,452,543**	**10**	1,673,376	10
Options exercisable at the end of the year	**1,452,543**	**10**	596,625	10

The weighted average share price during the period of exercise of options was ₹ 36.05 per share, Previous Year : ₹ 20.57. Weighted average remaining contractual life for the share options outstanding as at March 31, 2021 was 2 years and 3 months (Previous Year: 2 years and 11 months)

40.3 Fair Valuation of Options Granted

No options were granted during the year. The fair valuation of option have been done by an independent firm on the date of grant using the Black-Scholes Model. Black-Scholes Model takes into account exercise price, the term of the option, the market price of the share one day prior to the date of grant and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant :

1	Risk Free Rate	:	7.12% (Vest 1), 7.31% (Vest 2), 7.46% (Vest 3)
2	Option Life	:	Average of [Minimum Life (Vesting period) + Maximum Life (Vesting period + Exercise period)] which is 3.50 Years (Vest 1), 4.51 Years (Vest 2), 5.51 Years (Vest 3)
3	Expected Volatility	:	48.47% (Vest 1), 48.04% (Vest 2), 66.60% (Vest 3)
4	Dividend Yield	:	Nil

Expected volatility on the Company's stock price on Bombay Stock Exchange based on the data commensurate with the expected life of the option upto the date of grant.

40.4 Expenses arising from equity-settled share-based payments to employees debited to the Consolidated Statement of Profit and Loss is ₹ 71.25 lakhs (Previous Year : ₹ 250.63 lakhs)

41 Disclosure pursuant to Ind AS 116 on "Leases"

A As a Lessee :

Following are the changes in the carrying value of right of use assets:

₹ in lakhs

Category of Right-of-use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
Buildings			
Balance as at April 01, 2019	47.05	-	47.05
Additions	378.93	108.69	270.24
Deductions	2.22	0.38	1.84
Balance as at March 31, 2020	**423.76**	**108.31**	**315.45**
Additions	**4.09**	**95.59**	**(91.50)**
Deductions	**160.69**	**32.33**	**128.36**
Balance as at March 31, 2021	**267.16**	**171.57**	**95.59**

B The following is the break-up of current and non-current lease liabilities :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Current lease liabilities	**80.85**	130.17
Non-current lease liabilities	**21.76**	194.33
	102.61	324.50

C The following is the movement in lease liabilities :

Particulars	₹ in lakhs
Balance as at April 01, 2019	47.05
Additions	374.41
Finance cost accrued	21.95
Deductions	1.88
Payment of lease liabilities	117.03
Balance as at March 31, 2020	**324.50**
Additions	**4.09**
Finance cost accrued	**11.53**
Deductions	**133.40**
Rent Concessions *	**0.09**
Payment of lease liabilities	**104.02**
Balance as at March 31, 2021	**102.61**

D The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Less than one year	**85.31**	150.60
One to five years	**22.15**	207.34
More than five years	**-**	-
	107.46	357.94

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E The following amounts are recognised in the Consolidated Statement of Profit and Loss :

Particulars	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Depreciation charge on Right-of-use assets	**95.59**	108.69
Interest expense on lease liabilities	**11.53**	21.95
Expense relating to short-term leases - Rent	**122.81**	108.05
Gain on termination of leases	**5.04**	0.03
Rent Concessions *	**(0.09)**	-

F Total cash outflow for leases from Financing Activites recognised in the Consolidated Statement of Cash Flows is ₹ 104.02 lakhs (Previous Year : ₹ 117.03 lakhs).

* The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 thereby inserting a practical expedient w.r.t "COVID-19 related rent concessions" effective for the period beginning on or after April 1, 2020. Pursuant to the amendment, the Group has applied the practical expedient to all rent concessions and has not assessed whether the rent concessions are a lease modification. The impact of such rent concessions has been recognised in the Consolidated Statement of Profit and Loss under Other Income - Miscellaneous Income.

As a Lessor :

G The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

Particulars	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Less than one year	**-**	9.00
One to five years	**-**	-
More than five years	**-**	-
	-	9.00

H Lease Income of ₹ 26.42 lakhs (Previous Year : ₹ 25.05 lakhs) has been recognised in the Consolidated Statement of Profit and Loss under Other Income - Miscellaneous Income.

42 Disclosure on Financial Instruments

42.1 Classification of Financial Assets and Liabilities

Particulars	**Note No.**	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Financial Assets at Amortised cost :			
Trade Receivables	8	**1,771.02**	2,122.25
Loans	4 and 11	**107.99**	75.61
Investments	3	**0.14**	0.14
Cash and Bank Balances	9 and 10	**8,621.37**	5,569.43
Other Financial Assets	5 and 12	**266.99**	581.29
Financial Assets at Fair Value through Other Comprehensive Income :			
Investments in Others	3	**8,654.27**	3,842.01
Total		**19,421.78**	12,190.73
Financial Liabilities at Amortised cost :			
Term Loan from Banks (Non-current)	16	**1,267.99**	2,096.20
Borrowings (Current)	19	**1,715.40**	1,475.77
Trade payables	20	**4,811.60**	6,160.26
Lease Liabilities	41	**102.61**	324.50
Other Financial Liabilities	21	**2,129.15**	2,442.61
Total		**10,026.75**	12,499.34

The fair value of Bank Deposits with more than 12 months maturities and earmarked balances and fair value of borrowed funds approximates their respective carrying amounts as the interest rate of the said instruments are at the prevailing market rate of interest.

The carrying amount of financial assets and financial liabilities (other than borrowed funds) measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

42.2 Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values :

i. Receivables are evaluated by the Group based on history of past default as well as individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if required.

ii. The fair value of interest free loans given is estimated by discounting future cash flows using rates currently available for loans with similar terms, credit risk and remaining maturities.

iii. The fair values of quoted equity shares are derived from quoted market prices in active markets.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are :

Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities. **Level 2 -** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. **Level 3 -** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Financial Assets at fair value through Other Comprehensive Income :		
Investments - Level 1	**8,652.52**	3,837.98
Investments - Level 3	**1.75**	4.03
Total	**8,654.27**	3,842.01
There is no transfer between Level 1 and Level 3 during the year.		
Reconciliation of Level 3 Fair Value Measurements :		
Balance as at the beginning of the year	**4.03**	4.03
Add / (Less) : Changes during the year	**(2.28)**	-
Balance as at the end of the year	**1.75**	4.03

Since the Level 3 investment value is not significant, 1% increase (decrease) in the input will have negligible impact.

42.3 Financial Risk Management Framework

The Group's financial risk management is an integral part of how to plan and execute its business startegies. The risk management policy is approved by the Board of Directors. The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets comprises of trade and other receivables and cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Group's activities exposes it to market risk, credit risk and liquidity risk. Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group's senior management oversees the management of these risks. They provide assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The sources of risks which the Group is exposed to and their management is given below :

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade Receivables, Loans	Ageing Analysis, Credit Rating	Credit limit and credt worthiness monitoring, Criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Cash flow forecasts	Adequate unused credit facilities and sufficient Bank FDRs
Foreign Exchange Risk	Committed commercial transaction, Financial asset and Liabilities not denominated in INR	There are no major foreign exchange transactions	Foreign exchange transactions are in the nature of current payment and effected at current exchange rate
Commodity Price Risk	Movement in prices of commodities mainly Imported Steam Coal	Sensitivity Analysis, Commodity price tracking	Orders are placed based on the best price quoted by parties

Market Risk :

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 three types of risks – interest rate risk, foreign exchange risk and commodity price risk in a fluctuating market environment. Financial instrument affected by market risks includes foreign currency receivables and payables.

The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Foreign Exchange Risk :

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels, raw materials and spare parts and capital expenditure.

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures.

Outstanding foreign currency exposure	**As at March 31, 2021 ₹ in lakhs**	As at March 31, 2020 ₹ in lakhs
Trade Advances		
GBP	**6.77**	-
EUR	**6.18**	26.91
Trade Payables		
CHF	**0.33**	-
EUR	**0.65**	0.22

Foreign currency sensitivity on unhedged exposure :

Since the exposure is not significant, 1% increase in foreign exchange rates will have very negligible impact on profit before tax.

Interest Rate Risk :

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. The Group's exposure to the risk of changes in market interest rates relates to i) overdraft facilities against fixed deposits and ii) Cash Credit. The Group doesn't have foreign currency borrowings. The Group parks surplus funds in fixed deposits and avails overdraft facility against same to meet temporary fund requirement. The interest rate on overdraft facility is linked with interest rate on fixed deposits. Any adverse movement in interest rate will not affect profit before tax since the same will be offset by interest income earned on corresponding fixed deposit. Hence the interest rate risk is self mitigated in the case of overdraft facility. The Cash Credit facility has floating interest rate.

Interest rate exposure :

Interest rate exposure is in respect of Cash Credit. Amount outstanding as at March 31, 2021 is ₹ 1,000.17 lakhs (Previous Year : ₹ Nil).

There is no significant interest rate risk in respect of overdraft facility against fixed deposits as the same has fixed margin over the interest rates of fixed deposits.

Interest rate sensitivity for unhedged exposure:

1% increase / decrease in interest rate will impact Profit before tax by ₹ 10 lakhs p.a.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Commodity Price Risk :

Commodity price risk arises due to fluctuation in prices of coal, pet coke and other products. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

Credit Risk Management :

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities mainly deposits with banks and foreign exchange transactions. The Group has no significant concentration of credit risk with any counterparty.

Trade Receivables :

Customer credit is managed as per Group's established policies and procedures and control related to customer credit risk management. The Group has credit evaluation policy for each customer and based on the evaluation maximum exposure limit of each customer is defined. Deposits are taken from customers as per agreement with them. Wherever the Group assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit in addition to security deposits.

Outstanding receivable from customers is regularly monitored and if outstanding is above due date, further sales orders are controlled and can only be fulfilled if there is a proper justification. The Group does not have higher concentration of credit risks to a single customer.

Total Trade receivables as at March 31, 2021 is ₹ 1,780.68 lakhs (Previous Year : ₹ 2,131.91 lakhs).

In view of above credit policy and considering past history of insignificant bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for impairment based on specific identification. The Group will reassess the model periodically and make the necessary adjustments for loss allowance, if required. Since the Group does not separately track changes in credit risk of Trade Receivables, the disclosure for Trade Receivables under Note 8, as required under Schedule III is suitably modified. The movement in provision for impairment is as below :

Particulars	As at March 31, 2021 ₹ in lakhs	As at March 31, 2020 ₹ in lakhs
Opening Provision	**9.66**	23.07
Add : Provided during the year	**-**	-
Less : Utilised / written back during the year	**-**	13.41
Closing Provision	**9.66**	9.66

Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

Liquidity Risk :

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in lakhs

As at March 31, 2021	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including Current maturities of Long-term borrowings)	**2,562.66**	**1,267.99**	**-**	**3,830.65**
Trade payables	**4,811.60**	**-**	**-**	**4,811.60**
Lease Liabilities	**85.31**	**22.15**	**-**	**107.46**
Other financial liabilities	**1,281.89**	**-**	**-**	**1,281.89**

₹ in lakhs

As at March 31, 2020	Less than 1 year / On demand	1 to 5 years	More than 5 years	Total
Borrowings (including Current maturities of Long-term borrowings)	2,365.18	2,096.20	-	4,461.38
Trade payables	6,160.26	-	-	6,160.26
Lease Liabilities	150.60	207.34	-	357.94
Other financial liabilities	1,553.20	-	-	1,553.20

43 Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended March 31, 2021 :

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated Net Assets	₹ in lakhs	As % of Consolidated Profit or (Loss)	₹ in lakhs	As % of Consolidated OCI	₹ in lakhs	As % of Consolidated TCI	₹ in lakhs
1	2	3	4	5	6	7	8	9
Parent :								
Gujarat Sidhee Cement Limited	**80.13%**	**36,454.00**	**96.09%**	**2,935.21**	**-0.49%**	**(23.33)**	**37.11%**	**2,911.88**
Subsidiary (Indian):								
Villa Trading Company Private Limited	**19.87%**	**9,039.43**	**3.91%**	**119.29**	**100.49%**	**4,814.50**	**62.89%**	**4,933.79**
Non-controlling interest	-	-	-	-	-	-	-	-
Joint Venture	-	-	-	-	-	-	-	-
Total	**100.00%**	**45,493.43**	**100.00%**	**3,054.50**	**100.00%**	**4,791.17**	**100.00%**	**7,845.67**

44 The Board of Directors of the Company at its meeting held on May 19, 2020 decided to amalgamate Villa Trading Company Private Limited (VTCPL), its wholly owned subsidiary, and Bhadra Textiles and Trading Private Limited (BTTPL), its holding company, with the Company with effect from April 1, 2020, being the appointed date. In terms of the Scheme

i. on amalgamation of VTCPL with the Company, the shares held by the Company in the said subsidiary will be cancelled; and
ii. on amalgamation of BTTPL with the Company, the shares held by the said holding company will be cancelled and equivalent number of new shares of the Company will be issued to the shareholders of BTTPL in proportion to their holding in BTTPL.

The application for amalgamation of VTCPL and BTTPL with the Company was finally heard by National Company Law Tribunal (NCLT), Ahmedabad on June 14, 2021, the Order was pronounced on June 22, 2021 and the same was certified by the Registrar on June 28, 2021. However, as the Order is not yet effective in accordance with the provisions of Section 232(5) of the Companies Act, 2013, the effect of the Scheme has not been considered in the preparation and presentation of the consolidated financial statements. In fact, the Company will not have any component so as to prepare the consolidated financial statements.

45 The Group has considered the possible effects that may result from COVID-19 in the preparation of these consolidated financial statements including the recoverability of carrying amount of property, plant and equipment, receivables, inventories and other assets. For assessing the impact, the Group has taken into account the external and internal sources of information and it expects that the carrying amount of these assets will be recovered.

46 Earnings Per Share

	For the Year ended March 31, 2021 ₹ in lakhs	For the Year ended March 31, 2020 ₹ in lakhs
Basic earnings per share		
Net Profit / (Loss) attributable to equity shareholders	**3,054.50**	4,483.94
Weighted average number of equity shares of ₹ 10 each	**88,092,211**	87,315,947
Basic earnings per share (in ₹)	**3.47**	5.14
Diluted earnings per share		
Net Profit / (Loss) attributable to equity shareholders	**3,054.50**	4,483.94
Weighted average number of equity shares outstanding	**88,092,211**	87,315,947
Add : Weighted average number of potential equity shares on account of outstanding Employee Stock Options	**1,016,428**	57,025
Weighted average number of equity shares outstanding for diluted EPS	**89,108,639**	87,372,972
Diluted earnings per share (in ₹)	**3.43**	5.13

47 Previous Year's figures have been regrouped / reclassified to conform to the current year's presentation.

As per our Report of even date attached
For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
Mumbai, Dated June 29, 2021

For and on Behalf of the Board of Directors

Jay Mehta **Executive Vice Chairman**
M. N. Rao **Director**
M. S. Gilotra **Managing Director**
V. R. Mohnot **CFO & Company Secretary**

Mumbai, Dated June 29, 2021

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiary

(₹ in Lakhs)

Sl. No.	**1**
Name of the Subsidiary Company	**Villa Trading Company Private Limited**
Financial Year ending on	March 31, 2021
Reporting Currency	Indian Rupee
Share Capital	4,175.02
Other Equity	4,857.99
Total Assets	9,041.75
Total Liabilities	8.74
Investments	8,652.45
Turnover	153.32
Profit / (Loss) before taxation	150.68
Provision for taxation	25.17
Profit / (Loss) after taxation	125.51
Proposed Dividend	-
% of shareholding	100%

For and on Behalf of the Board of Directors

Jay Mehta	**Executive Vice Chairman**
M. N. Rao	**Director**
M. S. Gilotra	**Managing Director**
V. R. Mohnot	**CFO & Company Secretary**

Mumbai, Dated June 29, 2021

Notes

Notes

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