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18<sup>th</sup> July 2022

**BSE Limited**  
Department of Corporate Services,  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai – 400001.  
Through BSE Listing Centre  
**Security Code: 530131**

Dear Sir(s),

**Re: Intimation of 26<sup>th</sup> AGM, Annual Report, Book Closure and Cut-off date for E-voting**

1. We have to inform you that the 26<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Friday, the 12<sup>th</sup> August 2022 at 11:00 A.M. Indian Standard Time through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 5<sup>th</sup> August 2022 to 12<sup>th</sup> August 2022 (both days inclusive) for the purpose of AGM.
3. Pursuant to Regulation 34 read with Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we submit herewith Annual Report for the Financial Year 2021-22 ended 31<sup>st</sup> March 2022 and the Notice convening the 26<sup>th</sup> AGM, being sent to the Members by email whose email addresses are registered with the Company/Depository Participant (s). The Annual Report and Notice of the AGM are also uploaded on the website of the Company at [www.udaipurcement.com](http://www.udaipurcement.com)

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**Admin. Office:** Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi - 110002 | Phone: +91-11-66001142 / 66001112 |  
Fax: +91-11-66001142 | Email: [ucwl.customercare@ucwl.jkmail.com](mailto:ucwl.customercare@ucwl.jkmail.com) | **Works & Regd. Office:** Shripati Nagar, CFA, P.O. Dabok,  
Udaipur - 313022, Rajasthan | Phone: +91-294-2655076 | Fax: +91-294-2655077 | Email: [ucwl@ucwl.jkmail.com](mailto:ucwl@ucwl.jkmail.com)

CIN: L26943RJ1993PLC007267



4. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members, facility to exercise their right to vote at the 26<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-voting (e-voting) services provided by Central Depository Services (India) Limited. The details such as manner of casting vote through e-voting, attending the AGM through VC / OAVM and registering / updating email addresses etc. has been set out in the Notice of the AGM.

5. The Company has fixed 5<sup>th</sup> August 2022 as the 'cut-off date' for ascertaining the names of the Members, holding shares either in physical form or in dematerialized form, who will be entitled to cast their votes electronically during 9<sup>th</sup> August 2022 (10.00 A. M.) to 11<sup>th</sup> August 2022 (5.00 P. M.) and also during the AGM in respect of business to be transacted at the aforesaid AGM.

You are requested to disseminate the above intimation on your website.

Thanking you

Yours faithfully,  
For Udaipur Cement Works Limited

(Poonam Singh)

Company Secretary and Compliance Officer

Encl: a.a.

Cc: National Securities Depository Ltd.(E-mail:manish.sharma@nsdl.co.in)  
Central Depository Services (India) Ltd. (E-mail:Greeninitiative@cdslindia.com)  
MCS Share Transfer Agent Ltd. (E-mail: admin@mcsregistrars.com)

**Admin. Office:** Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi - 110002 | Phone: +91-11-66001142 / 66001112 |  
Fax: +91-11-66001142 | Email: ucwl.customer@ucwl.jkmail.com | **Works & Regd. Office:** Shripati Nagar, CFA, P.O. Dabok,  
Udaipur - 313022, Rajasthan | Phone: +91-294-2655076 | Fax: +91-294-2655077 | Email: ucwl@ucwl.jkmail.com

CIN: L26943RJ1993PLC007267

## NOTICE

NOTICE is hereby given that the **26<sup>th</sup> Annual General Meeting** of the Members of **UDAIPUR CEMENT WORKS LIMITED** will be held on Friday, the **12<sup>th</sup> August 2022 at 11.00 A.M.** Indian Standard Time, through **Video Conferencing (VC)/ Other Audio Visual Means (OAVM)**, to transact the following business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shrivats Singhania (DIN: 02359242), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass, the following Resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, remuneration of M/s HMVN & Associates, the Cost Accountants, appointed by the Board of Directors of the Company as the Cost Auditors, to conduct the audit of the cost records of the Company for the Financial Year 2022-23 commencing 1<sup>st</sup> April 2022, of ₹ 1.00 Lakh (Rupees One Lakh only) per annum, excluding GST as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the Cost Audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be deemed necessary and/or expedient to give effect to this Resolution.”

4. To consider and if thought fit to pass, the following Resolution as **Special Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulations 16, 17(1A) and other applicable provisions, if any, of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification or re-enactment thereof for the time being in force and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Surendra Malhotra (DIN: 00271508), who was appointed as an Independent Director of the Company for a term of five consecutive years upto 29<sup>th</sup> June 2023, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 3 (three) consecutive years w.e.f. 30<sup>th</sup> June 2023, not liable to retire by rotation.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary and/or expedient to give effect to this Resolution.”

5. To consider and if thought fit to pass, the following Resolution as **Special Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 16 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification or re-enactment thereof for the time being in force and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Amb. Bhaswati Mukherjee (DIN: 07173244), who was appointed as an Independent Director of the Company for a term of three consecutive years upto 23<sup>rd</sup> January 2023, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years w.e.f. 24<sup>th</sup> January 2023, not liable to retire by rotation.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary and/or expedient to give effect to this Resolution.”

6. To consider and if thought fit to pass, the following Resolution as **Special Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulations 16, 17(1A) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification or re-enactment thereof for the time being in force and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Vinit Marwaha (DIN: 00051403), who was appointed as an Independent Director of the Company for a term of five consecutive years upto 9<sup>th</sup> May 2023, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years w.e.f. 10<sup>th</sup> May 2023, not liable to retire by rotation.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary and/or expedient to give effect to this Resolution."

7. To consider and if thought fit to pass, the following Resolution as a **Special Resolution:**

"RESOLVED that in supersession of the resolution passed by the Company at the Annual General Meeting held on 17<sup>th</sup> August 2019, consent of the Company be and is hereby accorded pursuant to the provision of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act'), including any statutory modification or re-enactment thereof, for the time being in force to the Board of Directors of the Company including a Committee thereof (hereinafter referred to as the 'Board') for borrowing moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), in excess of the aggregate of paid-up share capital of the Company, Securities Premium and its free reserves, that is to say, reserves not set apart for any specific purpose, as the Board may, from time to time, deem necessary and/or expedient for the purpose of the Company, provided that the sum or sums so borrowed and remaining outstanding at any one time on account of principal shall not exceed in the aggregate ₹ 2,000

Crores (Rupees Two Thousand Crores only).

RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all acts, deeds, matters and things as it may be deemed necessary and/or expedient to give effect to this Resolution."

8. To consider and if thought fit to pass, the following Resolution as a **Special Resolution:**

"RESOLVED that in supersession of the resolution passed by the Company at the Annual General Meeting held on 17<sup>th</sup> August 2019, consent of the Company be and is hereby accorded pursuant to the provision of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act'), including any statutory modification or re-enactment thereof, for the time being in force to the Board of Directors of the Company including a Committee thereof (hereinafter referred to as the 'Board') to mortgage and/or charge (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders and/or Debenture Trustees), all the immovable and movable properties, present and future, pertaining to any one or more of the Company's Units and any other undertaking of the Company wheresoever situate and the whole or substantially the whole of any one or more of the said undertakings of the Company, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, Trustees for Debentures, to secure their respective Rupee and Foreign Currency Loans or other Financial assistance lent, granted and advanced or agreed to be lent, granted and advanced to the Company or the Debentures, Bonds or other financial instruments issued and allotted or as may be issued by the Company and subscribed to or agreed to be subscribed to by such Institutions/Banks/Funds, or any other persons, of such amount(s) not exceeding ₹ 2,000 Crores (Rupees Two Thousand Crores only), in the aggregate, on account of principal, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Trustees, costs, charges and other moneys payable by the Company to the respective Financial Institutions, Banks and other lending institutions and Debenture holders and/or Trustees under the Loan/Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said Term Loans,

Debentures or other financial instruments or assistance.

RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorized to finalise the terms and conditions with the Financial Institutions, Banks and other lending Institutions or Funds/ Lenders or Debenture Trustees and the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds, matters and things as it may deem necessary and/or expedient to give effect to this Resolution"

9. To consider and if thought fit to pass, the following Resolution as an **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act) read with Rules made thereunder and other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions including any statutory modification or re-enactment thereof, for the time being in force, and subject to such approval(s), consent(s) and permission(s) as may be required from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company including a Committee thereof (hereinafter referred to as "the Board"), to enter/continue to enter into Contract(s)/Arrangement(s)/Transaction(s), whether by way of an individual transaction or series of transactions or otherwise, with JK Lakshmi Cement Ltd., a Holding company and Related Party (JKLC) within the meaning of the aforesaid provisions of law, upto a limit of ₹ 1,500 Crore (Rupees Fifteen Hundred

Crores only) in the aggregate in each Financial Year, on an annual basis, for a period of five Financial Years commencing from 1<sup>st</sup> April 2022 and ending on 31<sup>st</sup> March 2027, in the ordinary course of Company's business and on an arm's length basis, in the nature of : (i) Sale and/or Purchase of Cement, Clinker and Petcoke/Coal, etc. and payment of Royalty charges; (ii) Availing of Financial and other support including by way of Corporate Guarantee (s) for loan taken by the Company in the normal course of business (other than the Expansion Project); and (iii) other transactions to meet its business objectives/ requirements, in the normal course of business, on such material terms and conditions as set out in the Statement under Section 102 of the Act annexed hereto which shall be deemed to form part hereof and as may be mutually agreed between JKLC and the Company from time to time, subject to requisite approval of the Audit Committee, in each relevant financial year(s).

RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to take all necessary actions and to settle any question, difficulty or doubt may arise, without requiring to secure any further approval of the Members and that the Members shall be deemed to have given their approval thereto expressly under the authority of this Resolution, in each financial year; and to do all acts, deeds, matters and things as may be deemed necessary and/ or expedient to give effect to this Resolution, including power to delegate all or any of the powers herein conferred to any Officer of the Company or otherwise and to finalise, sign and execute necessary contracts, deeds, documents and writings on behalf of the Company."

Regd. Office: Shripati Nagar  
CFA, P.O: Dabok,  
Udaipur-313 022 (Rajasthan)

Date: 4<sup>th</sup> July, 2022

**By Order of the Board**

**Poonam Singh**  
Company Secretary &  
Compliance Officer

## NOTES:

- (1) The Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of Item Nos. 3 to 9 of the Notice set out above, is annexed hereto. The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') of persons seeking re-appointment as Director are also annexed.
- (2) In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No.20/2020 dated 5<sup>th</sup> May 2020 read with General Circular No. 02/2022 dated 5<sup>th</sup> May 2022, allowed companies whose Annual General Meeting (AGM) are due in the year 2022, to conduct their AGMs on or before 31<sup>st</sup> December 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ('MCA Circulars'). The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May 2022. ('SEBI Circular'). In compliance with these Circulars, provisions of the Act and the SEBI Listing Regulations, the 26<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 26<sup>th</sup> AGM shall be the Registered Office of the Company.
- (3) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- (4) Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution / Authorization, etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent at [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com).
- (5) The Members can join the AGM held through VC/OAVM fifteen (15) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on first come first served basis. This will not include large Members (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (6) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All the documents referred to in this Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the AGM.  
Members seeking to inspect such documents can send an e-mail to [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com).  
Further, Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 5<sup>th</sup> August 2022 through email at [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com). The same will be replied by the Company suitably.
- (7) Dispatch of Notice of AGM and Annual Report through electronic mode: In compliance with the

MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants ('DP') unless any Member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at [www.udaipurcement.com](http://www.udaipurcement.com); website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). Notice is also available on the website of Depository i.e. Central Depository Services (India) Limited ('CDSL') at [www.evotingindia.com](http://www.evotingindia.com).

In case any Member is desirous of obtaining hard copy of the Annual Report for the Financial Year 2021-22 and Notice of the 26<sup>th</sup> AGM of the Company, may send request to the Company's email address at [ucwl.investors@jkmil.com](mailto:ucwl.investors@jkmil.com) mentioning Folio No./DP ID and Client ID.

For receiving Notice and Annual Report from the Company electronically, Members are requested to write to the Company with details of Folio number/DPID/Client ID and attaching a self-attested copy of PAN at [ucwl.investors@jkmil.com](mailto:ucwl.investors@jkmil.com) or [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com).

**(8) INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM THROUGH VC/ OVAM ARE AS FOLLOWS:**

- (A) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December 2020 in relation to e-Voting Facility provided by Listed Entities, the Company is pleased to provide Members, facility to exercise their right to vote at the 26<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-voting services provided by CDSL. Remote e-voting is optional. The facility of E-voting shall also be made available at the AGM and Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right to cast vote during the AGM.

**(B) The instructions for Members for remote e-voting are as under:**

- (i) The remote e-voting period begins on Tuesday, 9<sup>th</sup> August 2022 (10:00 A.M.) and ends on Thursday, 11<sup>th</sup> August 2022 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 5<sup>th</sup> August 2022 i.e. cut-off date (Cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote on the date of AGM.

**(C) Login method for E-Voting and joining virtual meeting for Individual Members holding securities in demat mode.**

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December 2020 on E-Voting facility provided by Listed Entities, E-Voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP), thereby, not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Members are advised to register / update their mobile number and e-mail ID with their DPs in order to access e-Voting facility and/or attend the AGM.

Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs.

Login method for E-Voting and joining virtual meetings for Individual Members holding shares in Demat mode is given below:

Type of Members	Login Method
<p><b>Individual Members holding shares in Demat mode with CDSL</b></p>	<p><b>Users who have opted for CDSL Easi/Easiest facility:</b></p> <p>(i) Members, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>(ii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting his vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, links are also provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p><b>Users who have not opted for CDSL Easi/Easiest facility:</b></p> <p>(i) Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>(ii) Alternatively, the user can directly access e-Voting page by providing his Demat Account Number and PAN from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all other e-Voting Service Providers.</p>
<p><b>Individual Members holding shares in demat mode with NSDL</b></p>	<p><b>Users registered for NSDL IDeAS facility:</b></p> <p>(i) Open web browser by typing the URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.</p> <p>(ii) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>(iii) Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>





Type of Members	Login Method
	<p><b>Users not registered for IDeAS e-Services:</b> Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p><b>Visit the e-Voting website of NSDL.</b></p> <p>(i) After successfully registering on IDeAS, Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</p> <p>(ii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>(iii) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p><b>Individual Members (holding Shares in demat mode) login through their Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option.</p> <p>Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-Voting feature.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

Individual Members holding shares in demat mode who need assistance for any technical issues related to login through Depository i.e. NSDL and CDSL may reach out to below helpdesk:

Login type	Helpdesk details
Individual Members holding shares in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at Toll free number 1800225533.
Individual Members holding shares in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

**(D) Login method for E-voting and joining virtual meeting by Members (other than Individual Members) holding shares in Demat mode & all Members holding shares in Physical mode**

The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

Click on “Shareholders/Members” module.

Now enter your User ID

- (i) For CDSL: 16 digits beneficiary ID;
- (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
- (iii) Members holding Shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login – New system Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form (other than Individuals) and Physical Form**

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat Members as well as Physical Members)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/MCS Share Transfer Agent Ltd., Registrar and Share Transfer Agent (RTA) or contact Company/ RTA.
Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Member holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Udaipur Cement Works Limited.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvi) If a demat account holder has forgotten the login password, enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(9) Information and Instructions for Members attending the AGM through VC/OVAM are as under:**

(A) Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. The link for VC/OAVM will be available in Shareholder/ Members login where the EVSN of Company will be displayed.

(B) Members are encouraged to join the Meeting through Laptops / IPads for better experience.

(C) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(D) Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(E) Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request on or before 5<sup>th</sup> August 2022 mentioning their name, demat account number/ folio number, registered email id and mobile number at [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com). The Members who do not wish to speak during the AGM but have queries may send their queries on or before 5<sup>th</sup> August 2022 mentioning their name, demat account number/folio number, email id and mobile number at [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com). These queries will be replied by the Company suitably.

(F) Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during

the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

(G) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

(10) Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

**(11) Instructions for Members for e-Voting during the AGM are as under:-**

(a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(b) Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(c) If Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

(d) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**(12) Other Common Instructions:**

(i) Facility for Non-Individual Members and Custodians – Remote E-Voting

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they

wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual Members are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address at [ucwl.investors@jkmil.com](mailto:ucwl.investors@jkmil.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (ii) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

- (iii) The voting rights of Members shall be in proportion to their shareholding in the paid up equity share capital of the Company as on the Cut-off date and a person who is not a Member as on the Cut-off date should treat the Notice for information purpose only.
- (iv) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the Cut-off date may follow the same instructions as mentioned above for e-voting.
- (v) The Company has opted to provide the same

electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the Members holding shares as on the Cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

- (vi) The Company has appointed Shri Ronak Jhuthawat (Certificate of Practice No. 12094) of M/s Ronak Jhuthawat & Co., Company Secretary in practice, as Scrutinizer to scrutinize the process of remote e-voting and voting on the date of AGM in a fair and transparent manner.
- (vii) The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website at [www.udaipurcement.com](http://www.udaipurcement.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and shall simultaneously be forwarded to the Stock Exchange. The results of the voting will also be displayed at the Notice Board at the Registered and the Administrative Office of the Company.
- (viii) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date and who has not cast vote by remote e-voting, and being present at the AGM only shall be entitled to vote at the AGM.

**(13) The Register of Members and the Share Transfer Books of the Company shall remain closed from 5<sup>th</sup> August 2022 to 12<sup>th</sup> August 2022 (both days inclusive).**

**STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3**

The Board of Directors of the Company at its Meeting held on 17<sup>th</sup> May 2022, appointed M/s HMVN & Associates, Cost Accountants as the Cost Auditors, as recommended by the Audit Committee, to conduct the Cost audit of the cost records of the Company for the Financial Year 2022-23 commencing 1<sup>st</sup> April 2022 at a remuneration as mentioned in the Resolution.



Pursuant to Section 148 of the Companies Act, 2013, remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. The Resolution is accordingly recommended for approval of the Members by means of an Ordinary Resolution.

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

#### **Item Nos. 4 to 6**

The Members of the Company at their Annual General Meeting ('AGM') appointed following Directors as Independent Directors of the Company pursuant to Section 149 of the Companies Act 2013 ("Act"):

- (i) Shri Vinit Marwaha (DIN:00051403), for a term of five (5) consecutive years w.e.f. 10<sup>th</sup> May 2018 to 9<sup>th</sup> May 2023, [AGM held on 9<sup>th</sup> August 2018];
- (ii) Shri Surendra Malhotra (DIN:00271508), for a term of five (5) consecutive years w.e.f. 30<sup>th</sup> June 2018 to 29<sup>th</sup> June 2023, [AGM held on 9<sup>th</sup> August 2018];
- (iii) Amb. Bhaswati Mukherjee (DIN:07173244) for a term of three (3) consecutive years w.e.f. 24<sup>th</sup> January 2020 to 23<sup>rd</sup> January 2023, [AGM held on 17<sup>th</sup> August 2020].

Accordingly, the present term of above Independent Directors will determine on 10<sup>th</sup> May 2023, 30<sup>th</sup> June 2023 and 24<sup>th</sup> January 2023 as mentioned above. The above Independent Directors are eligible for re-appointment as Independent Director of the Company for another term of upto five consecutive years on passing of a Special Resolution by the Company.

The Board of Directors, based on the skills, experience, expertise and contributions made during the first term as Independent Director and based on the performance evaluation and recommendation of the Nomination and Remuneration Committee of Directors has re-appointed Shri Vinit Marwaha & Amb. Bhaswati Mukherjee for another term of five consecutive years each and Shri Surendra Malhotra for another term of three consecutive years as Independent Directors of the Company, subject to requisite approval of the Members.

The Company has received requisite consent from the above Independent Directors to act as Independent Directors and declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. They have also confirmed that they are not disqualified to be re-appointed as Directors in terms of Section 164 of the Act and that they are not debarred from holding the office of Director by virtue of any SEBI order or order of any other Authority.

Shri Surendra Malhotra, aged 81 Years and Shri Vinit Marwaha, aged 70 Years would be attaining the age of 75 Years during his second term as Independent Director of the Company. Pursuant to Regulation 17(1A) of the Listing Regulations, the Company is also required to obtain approval of the Members by means of a Special Resolution for re-appointment of Shri Surendra Malhotra and continuation of directorship of Shri Vinit Marwaha, as Independent (Non-executive) Directors of the Company.

Brief profile of the said Independent Directors including their vast experience and knowledge is provided in the Annexure to the Notice.

In the opinion of the Board, the above Independent Directors fulfills conditions for re-appointment as an Independent Director as specified in the Act read with Rules made thereunder and the Listing Regulations and are independent of the Management. Further, they possess appropriate skills, experience and knowledge. Considering the contributions made during their existing tenure, the Board is of the opinion that their continued association would be in the best interest of the Company.

Copies of the draft letter of appointment of Shri Vinit Marwaha, Shri Surendra Malhotra and Amb. Bhaswati Mukherjee as Independent Directors setting out the terms and conditions of their re-appointment would be available for inspection by the Members at the Registered Office of the Company on all working days upto and including the date of the AGM. The said terms and conditions are also posted on the Company's website at [www.udaipurcement.com](http://www.udaipurcement.com).

Shri Vinit Marwaha, Shri Surendra Malhotra and Amb. Bhaswati Mukherjee may be deemed to be concerned or interested, financially or otherwise, in their respective Resolutions. None of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in anyway concerned or interested, financially or otherwise, in the aforesaid Resolutions.

The Board recommends the Resolutions as set out at Item Nos. 4 to 6 of the Notice for approval of the Members by means of Special Resolutions.

#### **Item No. 7**

The Company at its Annual General Meeting held on 17<sup>th</sup> August 2019, had authorised the Board of Directors of the Company to continue borrow for the purposes of the Company, moneys in excess of paid-up capital of the Company, securities premium and its free reserves upto an amount not exceeding ₹ 1,500 Crore, at any point of time pursuant to Section 180(1)(c) of the Companies Act, 2013 (Act).

With a view to meet the increasing requirements of funds for expansion and other projects envisaged by the Company from time to time, it is considered necessary to increase the said borrowing limits to ₹ 2,000 Crore in the aggregate, at any point of time.

Pursuant to Section 180(1)(c) of the Act, the Board can exercise borrowing powers, in excess of the paid-up share capital of the Company, securities premium and its free reserves, with the approval of Members of the Company by way of a Special Resolution. The resolution is accordingly recommended for approval of the Members as aforesaid.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

#### **Item No. 8**

The Company at its Annual General Meeting held on 17<sup>th</sup> August 2019, had authorised the Board of Directors of the Company to continue to create mortgage and/or charge on the immovable and movable properties of the Company in favour of the lenders to secure their financial assistance not exceeding ₹ 1,500 Crore, in the aggregate, pursuant to Section 180(1)(a) of the Companies Act 2013 (Act).

With a view to meet the increasing requirements of funds for expansion and other projects envisaged by the Company from time to time, it may have to resort to further borrowings from financial and other lending institutions upto a limit of ₹ 2,000 Crore in the aggregate, at any point of time. As security for such borrowings, the immovable and movable properties of the Company pertaining to any one or more of its units may have to be mortgaged/charged in favour of Financial and other lending institutions/Lenders/Debenture Trustees.

Pursuant to Section 180(1)(a) of the Act, the Board can exercise power to create mortgage and/or charge on the

immovable and movable properties of the Company, with the approval of Members of the Company by way of a Special Resolution. The resolution is accordingly recommended for approval of the Members as aforesaid.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

#### **Item No. 9**

The Securities and Exchange Board of India (SEBI) vide its notification dated 9<sup>th</sup> November 2021 has notified amendments in Regulation 23 of the SEBI (Listing Obligations and Disclosure) Requirements, 2015 pertaining to Related Party Transactions (RPTs). The aforesaid amendments, *inter alia*, included replacing the then threshold i.e. 10% of the listed entity's consolidated turnover, for determination of Material RPTs requiring Members' approval, with the threshold of lower of ₹ 1,000 Crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. The aforesaid amendment is applicable with effect from 1<sup>st</sup> April 2022.

It may be recalled that the Company had obtained approval of the Members at the following Annual General Meetings of the Company (AGM) for entering into Material RPTs with JK Lakshmi Cement Limited, Holding company (JKLC): (a) AGM held on 17<sup>th</sup> August 2019: RPTs upto a limit of ₹ 1,500 Crore in the aggregate, in each Financial Year from the Financial Year 2019-20 and onwards, in the ordinary course of the Company's business; and (b) AGM held on 19<sup>th</sup> August 2021: RPTs upto an amount not exceeding ₹ 1,400 Crore in the aggregate, during four Financial Years commencing from 1<sup>st</sup> April 2021 and ending on 31<sup>st</sup> March 2025, in connection with Company's new Expansion Project, subject to requisite approval of the Audit Committee of the Directors of the Company in the relevant financial year(s).

SEBI vide its Circular dated 22<sup>nd</sup> November 2021, *inter alia*, specified that while seeking approval of the Audit Committee and Members, particular tenure of the proposed RPT will have to be specified. Further, SEBI vide its Circular dated 8<sup>th</sup> April 2022, has clarified that the Omnibus approval of Members of RPTs taken at the AGM shall be valid upto the date of the next AGM. Therefore, the approval obtained as mentioned in para (a) above, for an unspecified Tenure (open ended : Financial Year 2019-20 and onwards), shall be deemed to be valid upto the date of this AGM and accordingly,

fresh approval of the Members is required. However, the other approval obtained for Company's Expansion Project, being for specific four Financial Years, shall remain valid [refer para (b) above].

It is therefore proposed to seek fresh Members' approval for RPTs entered / to be entered into with JKLC upto a limit ₹ 1,500 Crore in the aggregate, in each Financial Year, on an annual basis, for a period of five Financial Years commencing from 1<sup>st</sup> April 2022 and ending on 31<sup>st</sup> March 2027, in order to secure continuity of operations and for the reasons explained above. Above annual limit for RPTs in each Financial Year, w.e.f 1<sup>st</sup> April 2022, shall be over and above the RPTs of ₹ 1,400 Crore, already approved by the Members of the Company at their AGM held on 19<sup>th</sup> August, 2021.

Relevant information pertaining to proposed Material RPTs as required under aforesaid SEBI's Circular dated 22<sup>nd</sup> November 2021 is given below:

- (a) Name of Related Party and nature of relationship including concern or interest (financial or otherwise): JK Lakshmi Cement Ltd., Holding company and Promoter of the Company (JKLC).
- (b) Type, material terms and particulars of the proposed transaction: Transactions in the ordinary course of business with terms and conditions that are generally prevalent in the industry segment that the Company operates, in the nature of (i) Sale and/or Purchase of Cement, Clinker and Petcoke/Coal, etc. and payment of Royalty charges; (ii) Availing of Financial and other support including by way of Corporate Guarantee (s) for loan taken by the Company in the normal course of business (other than the Expansion Project); and (iii) other transactions to meet its business objectives/ requirements such as availing/rendering of services, recovery/ reimbursement of expenses and transfer of resources, services or obligations, in the normal course of business. The transactions will be at an arm's length basis.

- (c) Tenure and value of the proposed transaction: Five Financial Years commencing from 1<sup>st</sup> April 2022 and ending on 31<sup>st</sup> March 2027, such that the monetary value of all the above transactions, individually or taken together, during each Financial Year does not exceed ₹ 1,500 Crore.
- (d) Percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction and that of the Subsidiary's annual turnover on a standalone basis: Not Applicable, since the Company does not have any subsidiary company. However, approx. 170% of the Company's annual turnover on a standalone basis for the Financial Year 2021-22.
- (e) **Justification:** The Material RPTs mentioned in the Resolution, being of operational and critical nature, play a significant role in the Company's business. The transactions shall be undertaken with a view to ensure continuity of existing operations, achieving synergies and economies of scale, reducing operational and logistics costs, etc. and thus, are in the best interest of the Company.
- (f) Details of the valuation or other external party report, if any relied upon: Not Applicable.

The proposed Material RPTs have been approved by the Audit Committee and Board of Directors of the Company. The Board recommends the Resolution as set out at Item No. 9 of the Notice for approval of the Members by means of an Ordinary Resolution.

Smt. Vinita Singhania, Chairperson of the Company who is also Vice Chairman & Managing Director of JKLC and her relatives may be deemed to be concerned or interested, financially or otherwise, in the said Resolution. None of the other Directors, Key Managerial Personnel of the Company and/or their relatives, are, in any way, concerned or interested, financially or otherwise in the said Resolution.

Regd. Office: Shripati Nagar  
CFA, P. O. : Dabok,  
Udaipur-313 022 (Rajasthan)

Date: 4<sup>th</sup> July, 2022

**By Order of the Board**

**Poonam Singh**  
Company Secretary &  
Compliance Officer

## Annexure to the Notice

Details of the Directors proposed to be re-appointed, are given hereunder:

<b>Name</b>	<b>Shri Shrivats Singhania</b>	<b>Shri Surendra Malhotra</b>	<b>Shri Vinit Marwaha</b>	<b>Amb. Bhaswati Mukherjee</b>
<b>DIN</b>	<b>02359242</b>	<b>00271508</b>	<b>00051403</b>	<b>07173244</b>
<b>Age (in years)</b>	<b>38</b>	<b>81</b>	<b>71</b>	<b>69</b>
Qualification & Experience (including expertise in specific functional areas)	Graduate in B.Sc. (Hons. in Business and Management) from IILM, New Delhi associated with Bradford University, U.K. and an Associate of Arts from Landmark College, Putney, VT (USA). He has had extensive training in different positions & levels and gained a diversified and rich business experience of more than 11 years including in cement manufacturing activities in JK Group companies.	Mechanical Engineer with Post Graduate Management qualification from West Germany. He was formerly the Managing Director of Orissa Synthetics Limited.	Commerce Graduate. Vast experience in field of Taxation and Corporate matters.	M.A. (History), University of Delhi, Degree (Superior) in French History and Civilization, Sorbonne, University, Paris. Former Ambassador of India to the Netherlands. Engaged in high level and effective Bilateral and Multilateral diplomacy on behalf of India. Visiting Professor in various Indian Universities.
Date of Appointment on the Board	30 <sup>th</sup> June 2018	30 <sup>th</sup> June 2018	10 <sup>th</sup> May 2018	24 <sup>th</sup> January 2020
Directorships held in other public companies as on the date of this AGM Notice. (as per Section 165 of the Act, excluding private and other companies) *Listed Entities	Param Shubham Vanijya Ltd.	(i) J.K.Fenner (India) Ltd. (ii) Sidhivinayak Trading and Investment Ltd. (iii) Param Shubham Vanijya Ltd. (iv) JK Insurance Brokers Ltd. (v) JK Credit & Finance Ltd. (vi) Global Strategic Technologies Ltd. (vii) Sago Trading Ltd.	(i) Enviro Tech Ventures Ltd. (ii) Saptrishi Consultancy Services Ltd. (iii) Pranav Investment (M.P.) Company Ltd. (iv) Hansdeep Industries & Trading Co.Ltd.	(i) Jindal Stainless Ltd.* (ii) JK Lakshmi Cement Ltd.* (iii) LNG Petronet Ltd.*
Memberships / Chairmanships of committees of other public companies [includes only Audit Committee and Stakeholders' Relationship Committee in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	NIL	Membership: (i) J.K.Fenner (India) Ltd. - Audit Committee (ii) Sago Trading Ltd. -Audit Committee Chairmanship: J.K. Fenner (India) Ltd. - Stakeholders Relationship Committee	Membership: Hansdeep Industries & Trading Co.Ltd. - Audit Committee	Membership: Petronet LNG Ltd. - Stakeholders' Relationship Committee





<b>Name</b>	<b>Shri Shrivats Singhania</b>	<b>Shri Surendra Malhotra</b>	<b>Shri Vinit Marwaha</b>	<b>Amb. Bhaswati Mukherjee</b>
Listed entity from which the Director has resigned in last three years	Nil	Nil	Nil	Nil
Number of Equity Shares held in the Company	3,10,000	Nil	Nil	Nil
No. of Board Meetings attended during the Financial Year 2021-22	Four	Four	Four	Four
Terms & conditions of re-appointment	The terms and conditions of re-appointment including remuneration of Shri Singhania as Executive Director of the Company are as approved by the Members at the Annual General Meeting held on 17 <sup>th</sup> August 2020	Please refer details given at Item Nos. 4 to 6 in the Statement pursuant to Section 102 of the Act.	Please refer details given at Item Nos. 4 to 6 in the Statement pursuant to Section 102 of the Act.	Please refer details given at Item Nos. 4 to 6 in the Statement pursuant to Section 102 of the Act.
Details of remuneration last drawn	Please refer Corporate Governance Report section of the Annual Report for the FY 2021-22			
Remuneration proposed to be paid	Please refer Corporate Governance Report	Sitting Fees for attending the Board and Committee Meetings and Commission on Net Profits, if any.	Sitting Fees for attending the Board and Committee Meetings and Commission on Net Profits, if any.	Sitting Fees for attending the Board Meetings and Commission on Net Profits, if any.
Relationships with other Directors /KMP	Shri Shrivats Singhania is son of Smt. Vinita Singhania.	Nil	Nil	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Shri Malhotra possess skills and capabilities relating to strategic expertise and commercial experience identified by the Board in the context of Company's business.	Shri Vinit Marwaha possess skills and capabilities relating to finance, accounting, taxation and Corporate matter identified by the Board in the context of Company's business.	Amb. Mukherjee possess skills and capabilities relating to Community Service, Sustainability and Corporate Social Responsibility identified by the Board in the context of Company's business.

## FOR ATTENTION OF THE MEMBERS

(1) Members are requested to intimate and/or update changes, if any, pertaining to their name and KYC details such as postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

- a. **For shares held in electronic form:** to their Depository Participants (DPs)
- b. **For shares held in physical form:** to the Company's Registrar and Transfer Agent (RTA), MCS Limited (Unit: Udaipur Cement Works Limited), Kind Attention: Shri Ajay Dalal, F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020, e-mail:admin@mcsregistrars.com, Ph: 011-41406149-50 in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November 2021. The Company has already sent letters for furnishing the required details to RTA. Members may access the said Letter and relevant Forms available on the website of the Company at <https://udaipurcement.com/information-to-shareholders/>.

Members may note that effective from 1<sup>st</sup> January 2022, any service request or complaint received from the Member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. The Folios wherein any of the above cited documents/ details are not available on or after 1<sup>st</sup> April 2023, shall be frozen by RTA. Frozen Folios shall be converted to normal status upon receipt of the above documents/ details or dematerialization of Shares.

- (2) Members may note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company at <https://udaipurcement.com/information-to-shareholders/>. It may be noted that any service request can be processed only after the Folio is KYC compliant.
- (3) Investor Grievances can be lodged electronically with the RTA. Please log on to [www.mcsregistrars.com](http://www.mcsregistrars.com) and click on Investors Services to register your queries/ grievances which will be promptly responded by the RTA. Please write to the Company Secretary at Secretarial Department at Gulab Bhawan (Rear Block), 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002 or E-mail: [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com) in case RTA's response is not received within a week's time.
- (4) **Nomination:** Pursuant to Section 72 of the Companies Act, 2013 and relevant SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://udaipurcement.com/physical-shareholder/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
- (5) SEBI vide its notification dated 24<sup>th</sup> January 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company's RTA for assistance in this regard. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN is INE225C01029.
- (6) Members are requested to quote their Folio No./ DPID- Client ID and details of shares held in physical/dematerialised forms, e-mail IDs and Telephone/Fax Nos. for prompt reply to their communications.



**UCWL** UDAIPUR CEMENT  
WORKS LIMITED

# BUILDING TODAY ENVISIONING TOMORROW

ANNUAL REPORT 2021-22



**Udaipur Cement Works Limited (UCWL)**, is a subsidiary of one of the leading cement manufacturing companies of India, JK Lakshmi Cement Limited. It is part of the prestigious business conglomerate “JK Organisation” (JKO) that has a rich business legacy of more than 135 years and boasts operations in India and abroad with a leadership presence in the fields of Cement, Tyre, Paper, Agri Genetics, Dairy Products, Education, etc.

We are relentlessly focused on product quality, customer satisfaction, resource efficiency, environmental responsibility, and sustainable innovation. This has helped us to push the boundaries and tap the immense potential for development in the infrastructure and construction sectors in the country.

The Company has an integrated Cement Manufacturing unit with an installed cement production capacity of 2.2 million tons per annum (MTPA). The company has ingrained “Sustainable Development” as one of the key ethos, of its daily business activity, led by the Integrated Sustainable Development Policy for its System structures. The working principles of the Company have been aligned to contribute to the nation’s commitment to meet the United Nations - Sustainable Development Goals (UN-SDGs). The Company upholds the highest levels of system standards such as ISO Certification for Environment (14001), Occupational Health and Safety (45001), Energy (50001), and Quality Management (15001) Systems. Going beyond the general industry

practice, the Company has also inventoried its carbon and water footprint as per ISO 14064 - 1 and ISO 14046.

In line with the agenda of Climate change and the COP26 commitments made by the nation, today the Company meets more than 45% of its total electricity requirement from the green renewable sources, i.e., Solar and WHRS. During FY 2021-22, the Company ramped up its solar power generation capacity by 4.35 MW, in addition to the existing 10.1 MW, further totaling it to 14.45 MW. The Company has also consumed about 100,000 MWh of green energy that has mitigated around 85,000 tons of CO<sub>2</sub> emissions, which is equivalent to 34 Lakh trees mitigating CO<sub>2</sub> emissions/year, during the last 2 fiscal years. Being a resource-responsible corporate, the Company has done considerable work in water conservation and stands around 2 times water positive and has saved about 3.6 lakh tons of virgin-natural resources by replacing them with waste-derived raw materials in the process.

**“Company has also set forth to grow organically by more than doubling its Cement capacity to match the projected infrastructure growth in the country.”**



The Company has sales presence in India (North, West, and Central regions). In view of boosting the government’s initiative of Aatmanirbhar Bharat, the Company sources its materials mostly from the local (within India) suppliers. Further, it also works with various suppliers to develop products and materials indigenously to have a more resilient supply chain.

With the blend of modern technology and a rich legacy, UCWL manufactures world-class cement under the brand name - Platinum Heavy Duty Cement. The Company took a step further to deliver the highest form of premium offering - Platinum Supremo Cement positioned as a Roof Specialist with a brand promise.

## BOARD OF DIRECTORS



**Vinita Singhania**  
Chairperson



**Onkar Nath Rai**  
Independent Director



**Surendra Malhotra**  
Independent Director



**Amb. Bhaswati Mukherjee**  
Independent Director



**Shrivats Singhania**  
Executive Director



**Naveen Kumar Sharma**  
Whole-time Director



**Vinit Marwaha**  
Independent Director

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

### REGISTERED OFFICE & WORKS

Shripati Nagar C.F.A., P.O. Dabok, Udaipur - 313022 (Rajasthan)

### SECRETARIAL DEPARTMENT

Gulab Bhawan, 3rd Floor (Rear Wing), 6-A, Bahadur Shah Zafar Marg, New Delhi - 110002

### REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited, F-65, First Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020  
Phone: 011-41406149-52, E-mail: admin@mcsregistrars.com

### CORPORATE OFFICE

Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi - 110002

### BANKERS

Axis Bank Limited  
RBL Bank Limited  
State Bank of India

### AUDITORS

Bansilal Shah & Co.,  
Chartered Accountants, Udaipur

**COMPANY WEBSITE: [www.udaipurcement.com](http://www.udaipurcement.com)**



# OUR JOURNEY



**2013**

Restarting of Grinding Section with a capacity of **6.3 Lac MT**

**2015**

Expansion in Grinding capacity to **7 Lac MT**

**2017**

Starting of Integrated plant with Pyroprocessing Section and New Cement Mill with enhanced Capacity of **16 Lac MT**

**2021**

Launching of New Premium Cement - Platinum Supremo **16 Lac MT**

**2022**

Expansion of installed production capacity to **22 Lac MT**

# KEY FINANCIAL HIGHLIGHTS

MARKET CAPITALISATION

**1.5**  
Times

**19%↑**  
₹ 881.10  
Crores

EBIDTA ON TURNOVER

**17%**  
₹ 153.82  
Crores

TURNOVER

## The Market Capitalisation

₹ 632 Crore as of 31st March 2021 has almost become 1.5 fold.

## Cement Capacity has increased from

16 Lac MT to 22 Lac MT in FY 2021-22.





### *Chairperson's Message*

Dear Members and Associates,

The year gone by has been yet another year of serious challenges, caused by COVID-19 Pandemic and other geopolitical situations around the world. A debilitating second wave of the Pandemic had hit India leading to much pain. Markets were disrupted and marred by frequent lockdowns, observing COVID protocols, social distancing norms and a dampened consumer sentiment. A vaccine campaign, which after beginning slowly, gained requisite momentum bringing much needed comfort even though the possibility of its repeated occurrences remain.

I would like to express my heartfelt gratitude to our frontline workers who put aside their individual priorities and not only worked selflessly to help others contain impact of ever mounting COVID surge, but also successfully carried operations in a normal manner without much disruptions. We too had partnered with different stakeholders including government, healthcare agencies and communities to mobilise necessary resources to save lives.

Coming to core of our business – cement has always been integral part of the growth story of the country ever since it gained independence in 1947. If it was building of large dams, irrigation projects, canals etc. which made the country self-sufficient in food grain production during initial years of independence in 1950s or 1960s; then building of large power plants, nuclear reactors, hydroelectric projects etc. in 1970s or later, laid the foundation of industrial development in the country. Deregulating the economy and freeing of markets revolutionized the real estate sector, opened services sector including IT, ITES, BFSI, tourism etc. in 1990s. Cement has always been an integral part of the development journey and shall continue to remain so in decades to come.

The last two years of the pandemic and current global uncertainties have impacted the pace of economic growth across the world, India though not insulated; remains amongst the fastest growing big economy in the world. Russia Ukraine war has cast its shadow on energy markets and today the prices of fuel and energy are at all time high. It has led to significant increase in costs and adverse impact on industry profitability; but I am hopeful that our country and its people have the resilience to rise above these challenges.

It is indeed a matter of great satisfaction that during these turbulent times, Your Company was well prepared for all eventuality and responded to them with lot of resilience. The Company chose optimism to the threat posed by the above external risks and responded to counter the same with strong determination. Requisite preventive measures were taken to minimise impact of Pandemic.



The Company witnessed a steep rise in freight and important input costs mainly on account of phenomenal rise in the prices of petroleum products globally; but we have had requisite farsightedness to meticulously plan for such eventuality and make effective use of reducing lead distance. To further mitigate the risk of sharp rise in fuel prices and other costs, the Company continued to strive hard for further improvements in its operational efficiencies and maximisation of realisations by way of optimising product mix and enhancing the distribution network. Focussed steps were taken to reduce the transportation lead, the number of dumps and increase direct dispatches. To conserve national resources, Your Company has been relying more on renewable sources of energy and our renewable energy usage for FY 21-22 was around 46%.

Our brands like Platinum Heavy Duty Cement and Platinum Supremo have already created a niche and firmly established themselves in the market. Your Company continued its focus on providing better and superior products to the market through innovation and technology in FY 21-22. Our team left no stone unturned in initiating and implementing sustained marketing and branding efforts; keeping their ears to the ground for customer and trade feedback to further strengthen the distribution system.

We have laid strong emphasis all-along towards protection of environment and mitigation of material ESG risks to continuously review, monitor and develop sustainable policies and processes to save the environment. We remain committed to not only meet customers' expectations but also catering to their evolving requirements, thus enabling them to build more durable and sustainable structures that are made sustainably.

UCWL has undertaken multiple CSR interventions for upliftment of society and its environment it belongs. Our 'Project Aajivika' was launched to enhance agricultural productivity and thereby doubling the income of identified farmers. It included doing household surveys for identification of eligible farmer beneficiaries, selecting micro-small farmers, holding workshops on 'Agriculture Input for Rabi', soil testing at State Government Laboratory of micro-small farmers beneficiaries, developed individual Farmer Development Plan, distributed pesticides and surveyed households around plant & mines periphery for identification of eligible livestock for their Infertility Treatment.

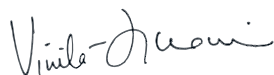
Towards safety and health aspect for our employees and also for the neighbouring community of our facilities, Your Company organized Medical Camps benefiting numerous patients. Eye Camps were held where free spectacles were also provided to needy patients. To curb COVID pandemic, Cotton Masks, Oximeter, PPE Kits were provided. Further, various activities were undertaken for creating awareness and mobilizing people to vaccination centers.

With the country rapidly progressing in every sphere of inclusive progress, sustainable development, and prosperity; I see increasingly bright future for the industry and the Company. In addition to investing in growth in our core business of cement; we shall also invest in expanding our product portfolio to enhance our offerings to the customers and simultaneously embrace cleaner and greener technologies. It is indeed a matter of pride that Your Company is already at the forefront in use of greener power and is on path of reaching the milestones of more than 50% of its electrical energy requirements being met by renewable sources by the year 2025 and exceed 80% by the year 2030.

We, with our forward looking attitude and well preparedness, would not be shying away from creating further capacities possibly in a short span of time to seize the opportunities on the back of significant demand growth.

I would now like to express my sincere gratitude to all our customers, business partners, associates, suppliers and our esteemed members and other stakeholders for their supreme loyalty and confidence in us. I also acknowledge contribution of our employees, who are our most precious resource. As we gear up in preparation for a power-packed future, I am grateful for their partnership and hope that we continue to get support of all our stakeholders in future too which promises to be bright and full of opportunities.

*Namaste*



*Vinita Singhania*





## *Executive Director's Message*

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Dear Readers,

At the outset, I would like to express my heartfelt gratitude to our frontline workers, whose untiring efforts at ensuring the safety and well-being of our employees and communities have allowed us to hold our heads high and continue our operations without disruptions. Despite the challenges, we have been able to create sustained value for our Shareholders and as an industry frontrunner, retained our position through controlled production costs and improved distribution efficiency.

**BUILDING  
TODAY**

**FOR  
TOMORROW**

As I write this message, the vaccination drive has already crossed the mark of 1.8 billion doses (assuming two doses per person, 68% of the population has been vaccinated). We look at the future with greater optimism. India continues to remain the second-largest cement producer in the world and the industry offers significant headroom for growth aided by low per capita consumption and a massive government push for infrastructure and affordable housing in the recent budget. Your Company is also increasing its manufacturing capacity, for which work is in progress and poised at tapping the growing demand in the market.

Being a business of cyclical nature, we cannot ignore the market uncertainties instead we are committed to considering the risks and converting them into opportunities in our daily business models.

At UCWL, we harbour a sense of innovation and strive to work equally on delivering value for three pillars of sustainability i.e. Environment, Social and Economy. Being a responsible corporate, we have consistently aimed at including key fundamentals of sustainability in all our operations and project planning. During the last two fiscal years, the Company continued to reduce its carbon footprint by consuming about 1,00,000 MWh of green energy, which mitigated around 24,000 of CO<sub>2</sub> emissions. Furthermore, in line with its Integrated Sustainable Development Policy, the Company has increased its share of solar energy consumption from 10.1 MW to 14.45 MW by adding a 4.35 MW capacity solar power plant in FY 2021-22.

I am happy that Your Company's efforts in various fields have been well appreciated and recognized by a number of awards during FY 2021-22 like Asia's most promising Cement Brand – Platinum Heavy Duty Cement, Promising Brands Award for 2021 (Platinum Supremo) from the Economic Times, 8th CII National Award for Environmental Best Practices 2021 for Conservation of Natural resources, Rajasthan Best Employer Brand Awards 2021 from Star Group, World HRD Congress, Mumbai, Certificate of Excellence in the Large Scale Category from The Employer's Association of Rajasthan, Greentech Sustainability Award 2021 under Excellence in Affordable & Clean Energy, Appreciation Certificate from Government of Rajasthan under "Ghar Ghar Aushadhi Yojana" and "Satat Sarthak Prayaas", Golden Peacock Safety Award by Institute of Directors for Continuous improvement in Occupational Health and Safety Performance, Golden Trophy and Certificate from Greentech Foundation for outstanding Safety Performance, Pyrotech-Tempens Manufacturing Award-Large Enterprise (UCCI Excellence Awards 2022) from Udaipur Chamber of Commerce and Industry, 11th Exceed Occupation Health Safety & Security Award from Government of India and Ministry of Labour & Employment for Outstanding achievement in Safety and Security in Cement Sector.

Our philosophy is based on systematic growth and a balanced framework that works for a better and happier tomorrow. Our employees and the community amongst which we operate in, are key elements of our growth and success. We have undertaken various interventions and initiatives that have helped us to strengthen our relations with them. We are relentlessly focused on product quality, customer satisfaction, and innovation. This has helped us push the boundaries and tap the immense potential for development in the infrastructure and construction sectors in the country.

On behalf of the Board of Directors, I would like to thank our stakeholders for their continued trust in us. We will continue to draw inspiration from your support to take on new challenges.

Thank You



*Shrivats Singhania*





## *Whole-time Director's Message*

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Dear Stakeholders,

Integration and collaboration across the value chain are pivotal for the overall growth of any company. Businesses today cannot be seen separated from the concepts of sustainability or ESG (Environmental, Social & Governance). The commodity cement has a crucial role to play in a rapidly growing economy like ours where the demand is rooted in government, private institutions, and individual consumers.

UCWL Sales volumes on YoY basis have increased by 15%. Total cement production and cement sales stood at 13.05 Lac MT and 13.13 Lac MT, respectively. This shows a growth of 35% & 36% respectively as compared to last year. Considering the developments in the economic and geopolitical landscape around the world, the sector has also realized its impact with higher input costs trickling down mostly from the global fuel markets.

In line with the factors affecting the Cement Industry, the input costs for us were also impacted, which we were able to manage through strong operational controls, strategic procurement planning, and focusing on production of blended cement. With larger allocation to the infrastructure, through initiatives like PM GATI Shakti, NIP, etc, in the recent budget presented by the government, the sector is optimistic about growing cement demand significantly. Foreseeing the demand, UCWL is on its way to double its cement production capacity, for which project work is going on in full swing.

# TOWARDS A SUSTAINABLE FUTURE FOR ALL

Thinking and proactively acting on ESG has become strategic, given recent climate negotiations at COP26. UCWL has developed its low carbon roadmap, combating climate change and aligning its targets to the COP commitments made by the nation. In line with its strategy, the Company is meeting about 45% of its total power from green energy sources. Adhering to its responsibility to other green aspects, the Company is almost 2 times water positive and is aiming at achieving the thermal substitution rate to the tune of 20% by 2030. Also it has increased its consumption of alternative waste-derived materials to 285% since FY 2018-19, thereby saving equivalent amount of virgin natural resources.

Delivering on aspects of social sustainability, the Company has been supporting various CSR interventions in the nearby villages which include programmes such as computer education for girls in govt. schools, health camps for villagers and their livestock, skill development initiatives, etc.

Adapting to the new normal, we are progressively looking towards catering to larger markets and generating more value for our shareholders and other value chain partners such as our suppliers, employees, and consumers, staying ahead of the curve through formulating integration and innovating resilience.

Thank You



*Naveen Kumar Sharma*



# THE YEAR THAT WAS



25th Annual General Meeting



Inauguration of critical care unit at Udaipur plant



Tree plantation drive on World Environment Day



▲ Pledge taken on National Safety Week



▲ Platinum Supremo launched in Gujarat by Virtual Event



Inauguration of Cement Mill - 3

137th Founder's Day Celebration ▼



A visit to Lakshmiapat Singhania School, Udaipur



▲ Brand Platinum Participating in a Rural Fair



Winners of UCWL Cricket Premium League ▶

# AWARDS AND ACCOLADES



▲ Economic Times Promising Brand Award 2021



▲ Best Community Action Award 2021

Greentech Sustainability Award 2021 ▶



8th CSR INDIA AWARD 2021 for ▲ Outstanding Achievements in Employment & Enhancing Skills Presented By Greentech Foundation



▲ Forbes Coverage India - Vocal For Local





Pyrotech-Tempsens Manufacturing Award  
Large Enterprise UCCI Excellence Awards 2022 ▲

“Certificate of Excellence” Award 2021 from  
Employers Association of Rajasthan ▼



Golden Peacock Safety  
Award By Institute of  
Directors for Continuous  
Improvement in  
Occupational Health &  
Safety Performance ▶



◀ Award for the best practices  
in Employer Branding and  
outstanding Contribution



# BUILDING TOMORROW TOGETHER

True progress takes place when everyone is empowered - empowered to dream, empowered to grow, empowered to live healthily and empowered to learn. All our CSR programmes aim to provide people equal access to the knowledge, skills, and the resources required to build a better tomorrow. Our major focus areas of intervention are education, healthcare, livelihood and community development. We are committed towards the social cause that is positively contributing towards human development index.

This year, we empowered girls through a Life Skill Training programme in collaboration with Head Held High Foundation, supported by HDFC CSR. 25 girls were trained at this six-month programme, out of which 14 were placed in BPO sector. Under the entrepreneur skills initiative and women livelihood programme, 26 women were trained and facilitated to set up their own business. To improve the health of soil and make farmers aware about the latest in farming, Farmer Training programmes were conducted. They were trained on how to test soil, improve its quality, agriculture input, vermi compost, etc. More than 50 farmers attended these sessions.

To ensure better health of cattle, door-to-door veterinary services were provided. 1711 cattle benefiting 454 cattle owners were checked by doctors. Infertility camp provided treatment to over 50 cattle, helping them in increasing milk production.

In our efforts to restore the ecological balance, we planted more than 1000 neem saplings around our operational areas. We strongly believe that it is our responsibility to work with the community around us, and give back to the people. This philosophy is embodied in our value system and we are glad that every year we are moving forward towards building a better, healthier, and prosperous tomorrow for all.



# घर बनाएं प्लैटिनम स्ट्रॉन्ग



मज़बूत निर्माण को चाहिए चैम्पियन की ताकत। निर्माण कार्यों की स्ट्रेन्थ बढ़ाने के लिए, उदयपुर सीमेंट वर्क्स लिमिटेड पेश करते हैं प्लैटिनम हैवी ड्यूटी सीमेंट और प्लैटिनम सुप्रीमो सीमेंट। जो बने हैं आधुनिक तकनीक से और एक चैम्पियन की तरह हैवी ड्यूटी निर्माण करके, हर घर को बनाते हैं ज़बरदस्त स्ट्रॉन्ग।



# DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

## Dear Members,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2022.

## FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS

	(₹ in Crore)	
	2021-22	2020-21
Sales & Other Income	881.10	737.66
Profit before Interest, Depreciation & Tax (EBIDTA)	153.82	151.28
Profit before Depreciation & Tax (PBDT)	103.56	97.50
Profit after Tax (PAT)	48.43	54.74
Surplus/(Deficit) brought forward	25.69	(29.05)
Surplus carried to Balance Sheet	74.12	25.69

## PERFORMANCE

Financial Year 2021-22 witnessed two waves of Covid 19 pandemic, one in the beginning of the financial year and another towards the end. Unfortunately, during the first wave in May-June 2021 there was an unprecedented toll on human lives though disruption in the economic activities was contained to minimum. The Government and Administration across the Country have acted with remarkable agility in handling the crisis.

Supported by the Government's Infrastructure push through various schemes and allocations towards creation of hard assets, low base effect and continued strong rural housing demand, Cement production volumes have shown remarkable progress by surpassing the pre-pandemic levels. It grew around 12% as compared with 298 MT cement production during the year 2020-21.

Against the above back drop; the salient features of the performance recorded by your Company in the concluded Financial Year 2022 are as follows:

- Company recorded an all-time High Sales of ₹ 881.10 Crores, showing a jump of ~19 % over sales of ₹ 737.66 Crores achieved in the previous Financial Year.
- Cement Production and Sales stood at 13.05 Lakh and 13.13 Lakh tonnes respectively.
- Market Capitalization of the Company has crossed ₹ 1500 Crores, an increase of more than 90% vis-à-vis Market Capitalisation as on 31<sup>st</sup> March 2021.

Towards the end of the year there has been sharp rise in the prices of fuel - both coal as well as of pet-coke. Rising diesel prices have also increased the freight costs significantly. However, your Company has been able to successfully mitigate the impact by focusing on improving efficiencies, product mix, geo mix, and brand positioning. All these combined efforts of the Company have resulted into a healthy EBIDTA of ₹ 153.82 Crores in Financial Year 2022 against ₹ 151.28 Crores achieved in the previous Financial Year. After providing for Interest, Depreciation & Tax, the Profit After Tax (PAT) for the Financial Year 2021-22 stood at ₹ 48.43 Crores as against ₹ 54.74 Crores recorded in the previous Financial Year.

## PROGRESS OF THE PROJECTS & EXPANSION

Your Company is pleased to inform that after successful implementation of de-bottlenecking & Balancing projects our Clinker Capacity has increased from 1.20 Million Tonnes Per Annum to 1.50 Million Tonnes Per Annum and Cement Capacity has increased from 1.60 Million Tonnes Per Annum to 2.20 Million Tonnes Per Annum. The Company shall stand to reap the benefit of these enhanced capacities in coming years.

In addition, your Company has already taken up for implementation of Expansion Project involving setting up of an additional Clinker Line of 1.50 Million Tonnes Per Annum capacity and Cement Grinding Capacity of 2.50 Million Tonnes Per Annum. After the completion of this expansion Projection, the Total Clinker Capacity shall enhance from existing 1.50 Million Tonnes Per Annum to 3.0 Million Tonnes Per Annum and Total Cement Capacity shall enhance from 2.2 Million Tonnes Per Annum to 4.7 Million Tonnes Per Annum in about 2 years time.

The Company has already received Environmental Clearance for the Project and consent to establish from Government of Rajasthan and is on the charted path of achieving other approvals as necessary. After commissioning of this Expansion Project, your Company shall be able to expand and deepen its market share.

### **OUTLOOK FOR INDIAN ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS**

Cement demand recovered very smartly during the current financial year, registering a growth of about 12% and volumes of ~330 Million MT in Financial Year 2022. This becomes significant in the backdrop of pandemic financial year 2021 and the turmoil faced in the first quarter of Financial Year 2022 due to the second wave of the pandemic. However, the journey in these two years have been fairly volatile with the demand registering a staggering drop of more than 80% in the first quarter of Financial Year 2021 and then gradually recovering in subsequent quarters to close the year with a drop of about 9% to 10% against the forecast of about 15% drop over Financial Year 2020. Financial Year 2022 began on a cautious note and for the first two quarters the cement demand struggled to claw back to pre-pandemic levels of Financial Year 2020. However, last two quarters of recently concluded Financial Year 2022 have shown excellent traction on demand front and the year eventually has closed on an optimistic note and more importantly the monthly cement sales are directionally inching towards 30-35 Million MT mark.

When everything was looking on up-swing; we are faced with the global challenges of potentially large scale conflicts and continued pandemic uncertainties; resulting into unprecedented rise in the cost of fuel & energy which further is leading to high inflation and rising cost of financing. India may remain relatively less impacted due to possibility of importing oil at relatively cheaper rates but in absolute terms the cost of fuel and power have risen and are likely to rise sharply in short to medium term. Rising commodity prices including the price of steel and other construction material would possibly act as a damper on the economy specially the capital asset formation as also the construction indices.

Notwithstanding these headwinds, India still retains its place amongst the fastest growing large economies with focus on manufacturing and infrastructure development. Both International Monetary Fund (IMF) as well as the Economist in its latest issue has concluded that India is likely to be world's fastest growing Big Economy this year. Some of the arguments advanced in this regard are:

**GDP** - In the previous 8 years Indian economy has grown by over 40% which is only second to China which grew 53% during the same period amongst the bigger economies. Growth this year of about 8% will be the highest among big countries, according to IMF. It predicts that by 2027 India will be the world's fifth largest economy, with a GDP of roughly \$5 Trillion at market prices.

**Market Capitalization** - The size of Indian stock market has already reached number 4 spot in the larger economies in the world lagging behind only USA, China and Japan.

**Infrastructure** - The national highway network is over 50% longer than it was in 2014 (now using digital tolling system - fastag). The number of domestic air passengers has doubled, air-freight volumes are up by 44%. There are more than three times as many mobile phone base stations, supporting 783 million broadband subscribers. Wall Street private equity firms are competing to create networks of warehouses across India. Next few years would see operationalization of mega infrastructure development initiatives such as Dedicated Freight Corridors, High Speed Rail Corridors, focus on Metro Rail Networks in many Tier II cities, road projects of national importance such as Bharatmala etc. This would result in great improvements in Supply Chain efficiencies and hence lowering of costs and increasing of competitiveness in manufacturing.

The government of the day is committed to easing of regulations and transparency in governance; thereby significantly enhancing the Ease of Doing Business and attract FDI in all sectors. India is expected to see an FDI of US \$ 100 Billion in Financial Year 2023; which puts India amongst the top 5 globally. A large FDI in

manufacturing and services would trigger expansion in many other sectors of economy and thereby having a positive influence on construction and demand for cement.

Going forward while Financial Year 2023 appears to be a year full of opportunities as well as uncertainties and challenges; however, we remain optimistic for the outlook for the cement sector which according to us would firmly remain on a long-term trajectory of sustainable annual growth ranging from 6% to 8%.

### **OPPORTUNITIES AND THREATS**

The Indian economy is passing through tough phase of unprecedented inflation on account of ongoing geopolitical tension between Russia and Ukraine. During the Financial Year 2021-22, the metal and coal prices have moved very sharply. Hypothetically, this level of cost spike, if it sustains, without any price adjustment in the cement sector then its profitability would be reduced to marginal levels.

Continuously increasing diesel prices is also impacting logistics cost of the industry. Industry is also looking forward towards CNG/LNG vehicles launch in the market that will bring efficiency as well as some cost relief for road transportation. It will also drastically reduce the carbon footprint.

Prevailing cement prices are almost at all time high and have sustained but any further increase in near term is ruled out due to lack of demand and there is reasonably understandable inability to pass on the magnitude of cost spike being seen currently. However, one should focus on long term fundamentals i.e. cost spike can be temporary as geopolitical situation eases.

Housing and infrastructure are two key segments that account for more than 80% of total cement consumption in the country. In Financial Year 2021-22, the Cement production in India has increased about 12% YOY, driven by rural housing demand and government's strong focus on infrastructure development. Further, the Indian cement industry is likely to add ~ 80 million tonnes capacity by Financial Year 2024, the highest since the last 10 years, driven by

increasing spending on housing and infrastructure activities. In October 2021, Hon'ble Prime Minister, Shri Narendra Modi, launched the 'PM Gati Shakti' - National Master Plan for multimodal connectivity. Gati Shakti will bring synergy to create a world-class, seamless multimodal transport network in India. This will boost the demand for cement in the future. Indian cement companies are amongst the world greenest cement manufacturers. With high allocation under the Union Budget 2022-23 for infrastructure, affordable housing schemes and road projects to fuel the economy, the domestic cement industry is poised for large surge. In 2021, as 'Work From Home' is being adopted at a faster pace amidst the Pandemic, the demand for affordable housing, with ticket size of ₹ 40-50 Lakh, is expected to rise in Tier II and Tier III cities leading to an increase in demand for cement.

### **RISKS AND CONCERNS**

The COVID-19 Pandemic has had devastating health and economic consequences, with unprecedented disruption to people's lives, the global economy and world trade. The International Monetary Fund, World Bank Group, World Health Organization and World Trade Organization have joined forces to accelerate access to COVID-19 vaccines, therapeutics and diagnostics by leveraging multilateral finance and trade solutions, particularly for low- and middle-income countries. The aim is to vaccinate at least 60% world population by mid-2022.

Construction and real estate sectors have also been adversely impacted in tandem. Companies are facing subdued demand of Cement. Pace of highway construction fell to a four year low. In addition, the Industry is suffering from the rising fuel and input costs. Supply chains cutting across all industries are also likely to remain adversely impacted over a long time and may result in further loss of GDP to a quick rebound to a gradual and slow recovery over the next few years. The emerging scenario would need a different kind of response from all quarters. One of the concern and the expectations in industry has is when each time, the GST council meets, the industry eagerly hopes that the cement will be put under lower tax slabs than the sin

slab of 28%. Ever since the introduction of GST, the council is periodically reviewing the tax rates and is consistently bringing more and more commodities under lower tax slabs. Cement is now one of the very few commodities that is in highest tax slab and understandably because it is not easy for the governments of the day to let lose the tax cow. Like always, the industry prefers to be positive and keep its hope alive for a favourable outcome. The Company has a strong risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. Our commitment to strong ethical values and high levels of personal and organisational integrity adds a further layer of risk mitigation to our operations. With resilience and agility, your Company is confident to sail through this difficult time.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate Internal Control System commensurate with the size and level of operations of the Company and the same were operating effectively throughout the year. The Company has an independent Corporate Internal Audit Department which carry-out the Internal Audit of its Plant, Sales depots and Registered Office. This Internal Audit Department submits its report on the Efficacy and Adequacy of Internal Control Systems to the Chairman of Audit Committee of the Board. There are adequate checks and balances in place, wherein deviation from the systems laid-out are clearly identified and corrective actions are taken in respective areas, wherever required.

During the year, the Company's Budgetary Control System and MIS were working effectively to map the actual performance viz-a-viz Budget for taking corrective actions in the areas where deviations were found, if any.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has institutionalized its Internal Financial Control Systems, Policies and Procedures in line with the

size and the complexity of its operations. This ensures accuracy and comprehensiveness of the Accounting records. These Internal Financial Control Systems are adequate for safeguarding the Assets of the Company and are effective towards prevention and detection of frauds and errors. The Policies and Procedures are also adequate for orderly and efficient conduct of business of the Company. The Company has in place specific Standard Operating Practices (SOPs) for its various functional areas. These SOPs are periodically reviewed by the Internal Audit Team and exceptions, if any, are reported. The Company also has a robust management information system for the timely preparation of reliable financial information. No reportable material weaknesses were observed in the system.

#### **HUMAN CAPITAL MANAGEMENT**

The Company is driven by its values including "Caring for People'. We believe our employees are the key assets for achieving our vision and mission seamlessly. Their dedication, commitment and conscientious approach to work is at the backbone of our strive for operational excellence and success.

This strive for excellence involves creating a work environment which is collaborative, enriching and fosters a culture of learning and growth in order to enable employees to perform at their full potential. Our work culture facilitates continuous interaction & dialogue with our employees thereby facilitating an open channel for two-way communication. We consciously seek feedback on any organisational changes and keep our employees adequately informed to ensure smooth transition.

We continuously emphasize on the development of talent within and strengthening the core areas of expertise by enabling continuous learning leveraging through various platform for employees for their capability & skill development. Formal digital platforms have been launched to enable sharing of ideas and best practices across work groups which helped us to drive continuous improvement and innovation such as SMART based KRAs/Goals linked with organizational objectives, Employee Engagement initiatives like Kaizen,

CFTs, Suggestion Schemes, employee welfare schemes, etc., to name a few.

To retain talent with the organization, the company has attempting advance efforts on Talent Acquisition, Talent Management, Job Enrichment, Performance Management, Reward and Recognition, Leadership Mentoring and Coaching and Employee Satisfaction Survey. We have been practicing its unique approach for employee's growth and development to leadership roles from within the Company by rewarding the deserving and providing a well-defined career growth path.

Fair and transparent HR Policies, open communication and effective collective bargaining with union has helped in sustaining congenial environment in the Company.

The Company is committed to support nearby communities through their CSR interventions to the nearby villages of Plant and Mines areas. Our CSR focuses on five basic community needs such as Education, Health, Sustainable Livelihood, Rural Development and Social Courses at large. Women Empowerment is one of the thrust areas where we are able to generate employability for poor and low earning group ladies and girls in the nearby areas.

It is gratifying to note that our company has received the following awards & recognitions through-out the year:

- "Pyrotech-Tempsens Manufacturing Award-Large Enterprise" UCCI Excellence Awards 2022 by Udaipur Chamber of Commerce and Industry.
- "Certificate of Excellence" under the "Best Employer Award" by Employer's Association of Rajasthan.
- "Rajasthan Best Employer Brand Awards 2021" under "Outstanding Contribution to HR" by World HRD Congress.

#### KEY CHANGES IN FINANCIAL INDICATORS

The various Financial Ratios for the year under review as compared to the same of the previous Financial Year are given hereunder:

Sl. No.	Particulars	Unit	2021-22	2020-21
1	Operation Profit Margin	%	17.0	20.2
2	Net Profit Margin	%	5.53	7.45
3	Return on Net Worth	%	17.89	25.44
4	Current Ratio	Times	0.76	0.99
5	Interest Coverage Ratio	Times	3.06	2.81
6	Debt Service Coverage Ratio	Times	1.75	2.08
7	Debt Equity Ratio	Times	3.20	2.31
8	Net Debt Equity Ratio	Times	2.10	1.88
9	Debtors Turnover	Times	423	237
10	Inventory Turnover	Times	12	12

#### ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety for your Company have been one of the key fundamental pillars of its business operations and growth. The Company is committed to maintaining cleaner production with a low carbon footprint by working beyond compliances. Initiatives like utilization of Green power, i.e. Solar and Waste Heat Recovery System to the tune of 45% in the total power mix, installation of state of art pollution control equipment, strategic development of greenbelt and plantation, use of waste-derived materials in place of virgin natural materials, etc. are testimony of its adherence to conservation and management of environmental resources.

The safety and well-being of its workforce and nearby community is topmost priority for the Company. Your Company operates on the principle that "Safety is everyone's responsibility and we must not bypass it under any circumstances". Adhering to strict COVID standards, our workplaces are sanitized and COVID 19 appropriate behaviour is maintained as per the guidelines of local government. The Company is ISO 45001:2018 Certified for Occupational Health and Safety standards and has been recognized for maintaining one of the industry best Health and Safety training modules and practices at different renowned platforms.



Your Company has received following awards/ recognitions during the Financial Year 2021-22:

- Asia's most promising Cement Brand – Platinum Heavy Duty Cement.
- Promising Brands Award for 2021 (Platinum Supremo) from the Economic Times.
- Rajasthan Best Employer Brand Awards 2021 from Star Group, World HRD Congress, Mumbai.
- Certificate of excellence in the large scale category from The Employer's Association of Rajasthan.
- Greentech Sustainability Award 2021 under Excellence in Affordable & Clean Energy.
- Golden Peacock Safety Award by Institute of Directors for continuous improvement in Occupational Health and Safety Performance.
- Appreciation certificate from Government of Rajasthan under "Ghar Ghar Aushadhi Yojana" and "Satat Sarthak Prayaas".
- Best Community Action CSR National Award from World Sustainability Organization.

### **CORPORATE SOCIAL RESPONSIBILITY**

Serving the society towards improving the quality of life of the community at large has always been a priority of the Company. The concept of socially responsible business is deeply ingrained into our corporate DNA right from the initial years and till date we have pioneered and delivered several CSR projects for needy and vulnerable communities and families living around our business area. The Company's CSR vision clearly states to strengthen community relationship and to bring sustainable change in the quality of life of neighborhood community through innovative solutions in Education, Health, Water & Sanitation, Skills Development, Livelihood Promotion and Rural Development.

The Company is committed to bring long term transformational changes in the lives of the plant's neighborhood communities through sustainable and impactful projects around the key development issues in the local areas. With this commitment, the Company

undertook "Need Assessment Study" during the reporting period through a technically competent agency. The need assessment study has identified livelihoods; youth employability; health; education; water and women development as critical development needs and accordingly a "Long term CSR Roadmap" has been developed to guide CSR projects on year-to-year basis.

As the beginning of Financial Year saw deadly outbreak of COVID-19 Delta variant, the Company responded to this humanitarian crisis by providing PPE kits, Oximeters and the cotton masks to the local Gram Panchayats, hospitals and schools. Despite field level challenges due to surge of Delta and Omicron variants; the Company demonstrated its commitments towards CSR and implemented "Ongoing" and "Other than Ongoing Projects" in thrust areas of Health; Water & Sanitation, Education, Skilling and Livelihood and Rural development. On the livelihood front under Project Aajivika, the Company undertook multiple on-farm and off-farm activities including employability skill trainings to support youth and families to ensure sustainable income. Number of youths were provided employability trainings and were facilitated for the placement locally. Number of small and marginal farmers were supported with soil testing, seeds, and training on improved agriculture practices. Livestock development has also been one of the key activities to strengthen livelihood of the communities and families. As part of livestock development project, the Company initiated door-to-door veterinary services including infertility treatment, awareness on disease management and fodder development in few villages with the support of Animal Husbandry Department, Government of Rajasthan. Under Project Aarogya, the Company organized number of medical camps in the nearby villages. Under Rural Development Project, the Company constructed toilets at school; repaired government school building and undertook upgradation work for Anganwadis. These CSR projects have impacted positively the lives of the beneficiaries around the business area.

The Company received awards for its meaningful and life-changing CSR initiatives during the year. The

Company was conferred with “National Award for Excellence under CSR in Best Community Action Category” by World CSR Day and ET. It was also awarded 8th CSR India Award 2021.

The Company has requisite Corporate Social Responsibility Policy in accordance with the provisions of the Act and Rules made there under, as amended. The CSR Policy is disclosed on the website of the Company at [www.udaipurcement.com](http://www.udaipurcement.com).

The Annual Report on the CSR activities undertaken by the Company during the Financial Year under review, in the prescribed format, is annexed to this Report as **Annexure 'A'**.

#### **RELATED PARTY TRANSACTIONS**

During the Financial Year ended 31<sup>st</sup> March 2022, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business, on an arm's length basis and were in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Form AOC-2 containing the details of the material Related Party Transactions entered into during the Financial Year 2021-22 as per the Related Party Transactions Policy is attached as **Annexure 'B'** to this Report and forms a part of it. The Related Party Transaction Policy as amended and approved by the Board is available on the website of the Company.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

The particulars of loans given, guarantees or securities provided, and investments made as required under Section 186 of the Act, if any, are given in the Notes to the Financial Statements.

#### **CONSERVATION OF ENERGY ETC.**

The details as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 are annexed to this Report as **Annexure 'C'** and form part of it.

#### **AUDITORS**

##### **(a) Statutory Auditors**

In accordance with the provisions of the Act and Rules made thereunder, M/s Bansilal Shah & Co., Chartered Accountants (Firm Registration Number: 000384W), were appointed as the Statutory Auditors of the Company for their second term of five consecutive years to hold office from the conclusion of the 23<sup>rd</sup> AGM held on 17<sup>th</sup> August 2019 until the conclusion of the 28<sup>th</sup> AGM to be held in the year 2024.

The observations of the Auditors in their Report on Accounts and the Financial Statements, read with the relevant notes are self-explanatory.

##### **(b) Secretarial Auditor and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Act, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice, as Secretarial Auditor to carry out Secretarial Audit of the Company for the Financial Year 2021-22.

The Report given by him for the said Financial Year in the prescribed format is annexed to this Report as **Annexure 'D'**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

##### **(c) Cost Auditor and Cost Audit Report**

M/s HMVN & Associates, Cost Accountants, conducted the Audit of cost records of the Company for the Financial Year ended 31<sup>st</sup> March 2021 and as required, Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Company has duly maintained requisite Cost Records pursuant to Section 148(1) of the Act.

The Audit of the Cost Records of the Company for the Financial Year ended 31<sup>st</sup> March 2022 is being conducted by the said Firm and the Report will be duly filed.

## DEPOSITS

The Company has neither invited nor accepted any deposits from the public.

## PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as **Annexure 'E'**.

Further, particulars of employees pursuant to Rule 5(2) & (3) of the above Rules, form part of this Report. However, in terms of provisions of Section 136 of the Act, the Report and Accounts are being sent to all the Members of the Company and others entitled thereto, excluding the said particulars of employees. The said information is available for inspection at the Registered Office of the Company during business hours on working days upto the ensuing AGM. Any Member interested in obtaining such particulars may write to the Company Secretary.

## EXTRACT OF ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 (Act) read with Rules made thereunder is available on the website of the Company and can be accessed at <https://bit.ly/3MRjhPB>

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 of the Act, Shri Shrivats Singhania (DIN: 02359242) retires by rotation at the ensuing Annual General Meeting of the Company (AGM) and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

The first term of office of Amb. Bhaswati Mukherjee (DIN:07173244), Shri Vinit Marwaha (DIN: 00051403) and Shri Surendra Malhotra (DIN: 00271508) as Independent Directors of the Company shall determine on 23<sup>rd</sup> January 2023, 9<sup>th</sup> May 2023 and 29<sup>th</sup> June 2023, respectively. They are eligible for re-appointment as

Independent Directors of the Company for a second term of upto five consecutive years. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended for the approval of the Members through Special Resolutions in the ensuing AGM, re-appointment of Amb. Bhaswati Mukherjee, Shri Vinit Marwaha and Shri Surendra Malhotra as Independent Directors of the Company for a second term as mentioned in the AGM Notice forming part of the Company's Annual Report 2021-22. In the opinion of the Board, they possess requisite expertise, integrity, proficiency and experience. Relevant details are given in the Annexure to the Notice of the AGM.

The Board has taken on record the declarations and confirmations received from all the Independent Directors of the Company regarding their independence pursuant to Section 149 of the Act and Regulation 16 of Listing Regulations.

The Members at the AGM held on 19<sup>th</sup> August 2021 had approved re-appointment of Shri Naveen Kumar Sharma as Whole-time Director for a further term of three years w.e.f. 1<sup>st</sup> October 2021.

There were no other changes in the Directors/Key Managerial Personnel of the Company during the year under review.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## CHANGE IN THE NATURE OF BUSINESS

During the Financial Year under review, there was no change in the nature of business of the Company.

## BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report of the Company for the Financial Year ended 31<sup>st</sup> March 2022

in the prescribed format, giving an overview of the initiatives taken by the Company from an environmental, social and governance perspective is given in a separate section of the Annual Report and forms a part of it.

### **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 of the Listing Regulations, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report. The Corporate Governance Report also covers the following:

- (a) Particulars of the four Board Meetings held during the Financial Year under review.
- (b) Salient features of the Nomination and Remuneration Policy.
- (c) The manner in which formal annual evaluation of the performance of the Board of Directors, its Committees and of individual Directors has been made.
- (d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- (e) Details regarding Risk Management Committee.
- (f) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (g) Dividend Distribution Policy.

### **COMPLIANCE OF SECRETARIAL STANDARDS**

Based on the Secretarial Audit Report of the Secretarial Auditor, the Company has duly complied with the applicable Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(3)(c) of the Act, your Directors state that:-

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) such accounting policies have been selected and applied consistently and judgments and estimates made 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) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively;
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

### **ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the continued support and cooperation received from various State Governments. The Directors also thank the Financial Institutions, Banks, Shareholders, Suppliers, Dealers and in particular the valued Customers for their trust and patronage. Your Directors record their appreciation for the dedication and hard work put in by 'Team-UCWL', which has enabled the Company to continue to grow stronger in these challenging times. Last but not the least, the Directors also wish to place on record their sincere gratitude towards JK Lakshmi Cement Limited, our Holding Company and Hansdeep Industries & Trading Company Limited, our Fellow subsidiary, for all

the financial, technical, marketing and operational assistance extended by them.

**CAUTIONARY STATEMENT**

The Directors' Report & Management Discussion and Analysis contains forward-looking statements, which may be identified by the use of words in that direction, or connoting the same. All statements that address expectations or projections about the future including but not limited to statements about your Company's strategy for growth, product development, market

positions, expenditures and financial results are forward looking statements.

Your Company's actual results, performance and achievements could thus differ materially from those projected in such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

Place: New Delhi  
Date: 17<sup>th</sup> May 2022

On behalf of the Board of Directors

**Vinita Singhania**  
Chairperson

# ANNEXURE 'A' TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022.

### 1. Brief outline on CSR Policy of the Company:

The philosophy of giving back to the society was laid down by the founding fathers of JK Group over a century ago and the group takes this as a moral responsibility to build a better society through contributing towards community services as well as working towards uplifting and empowering the disadvantaged sections of the society. The Mission statement of the Company unequivocally state to be a “socially responsible corporate citizen”. For UCWL, the business priorities coexist with the commitment for extending the help to the poor and the needy. This realization had given our organization a great opportunity to systematically develop and adopt an effective CSR approach to implement multiple interventions in the surrounding area of our business and plant location.

The Corporate Social Responsibility Policy (the Policy or the CSR Policy) has been framed in accordance with Section 135 of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) as amended from time to time. The Policy shall apply to all CSR projects and activities to be undertaken by the Company and contains the approach and direction given by the Board of Directors, considering the recommendations of the CSR Committee. The CSR Policy also lays down the guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan to carry out CSR Projects by the Company.

The CSR Policy of the Company strongly reflects the commitment towards inclusive growth and development. The CSR Policy objective clearly states that “the Company aspires to be a leading company in the Indian Cement Industry while maintaining a clear focus on social upliftment for inclusive growth to the realization of truly empowered society”. The vision of the Company’s CSR is “to strengthen community relationship and to bring sustainable change in quality of life of neighborhood community through innovative solutions in Education, Health, Livelihoods and Community Development”.

The major CSR thrust areas of the Company are Health, Water & Sanitation, Education, Skill development and Livelihood Environment, sustainability and Community development.

The Company’s CSR Policy clearly delineates on formulation and implementation of CSR projects and activities; its approval by the Board; monitoring; documentation; impact assessment and disclosures.

### 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	Smt. Vinita Singhania	Chairperson/Non-Executive Director	2	2
2	Shri Shrivats Singhania	Executive Director	2	2
3	Shri Vinit Marwaha	Independent Director	2	2
4	Shri Naveen Kumar Sharma	Whole-time Director	2	2

### 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:

<https://udaipurcement.com/wp-content/uploads/2022/06/CSR-Policy--Projects-approved-by-the-Board-of-Directors-F.Y.-2022-2023-1.pdf>

### 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: **Not Applicable**

6. Average net profit of the company as per section 135(5): ₹ 852.00 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 17.05 Lakh

(b) Surplus arising out of the CSR projects or programs 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): ₹ 17.05 Lakh

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

Total Amount spent for the Financial Year. (in ₹/ Lakh)	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
17.07	Nil	NA	NA	Nil	NA

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

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No).	(5) Location of the Project.		(6) Project Duration (Years)	(7) Amount Allocated for the Project (₹ In Lakh)	(8) Amount spent in the current financial Year (in ₹ /Lakh)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakh).	(10) Mode of implementation Direct (Yes/No)	(11) Mode of implementation -Through implementing agency	
				State	District						Name	CSR Registration number
1	Aajivika Project	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Rajasthan	Udaipur	4	4.52	4.52	Nil	Yes	NA	NA
<b>TOTAL</b>							<b>4.52</b>	<b>4.52</b>				

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

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project. (In ₹/ Lakh)	(7) Mode of implementation- Direct (Yes/No)	(8) Mode of implementation-through implementing agency	
				State	District			Name	CSR Registration number
1	Health & Water Facility	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Rajasthan	Udaipur	2.82	Yes	NA	NA
2	Education-Computer Learning	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Rajasthan	Udaipur	2.09	Yes	NA	NA
3	COVID Relief in the neighbourhood activities (Distribution of Food Kits, Mask Sanitizers etc.)	Promoting healthcare including preventive healthcare, sanitation and disaster management read with Ministry's General Circular No. 10/2020 dated 23rd March 2020.	Yes	Rajasthan	Udaipur	2.37	Yes	NA	NA
4	Contingency/ Disaster Fund to support govt. & other initiatives	Promoting healthcare including preventive healthcare, sanitation, disaster management and rural development	Yes	Rajasthan	Udaipur	0.47	Yes	NA	NA
5	Plantation	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Rajasthan	Udaipur	0.70	Yes	NA	NA
6	Community Infrastructure	Rural Development Projects	Yes	Rajasthan	Udaipur	3.30	Yes	NA	NA
<b>TOTAL</b>						<b>11.75</b>			

**(d) Amount spent in Administrative Overheads : ₹ 0.80 Lakh.**

**(e) Amount spent on Impact Assessment, if applicable : Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 17.07 Lakh.**



**(g) Excess amount for set off, if any**

Sl. No.	Particulars	Amount (In ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	17.05
(ii)	Total amount spent for the Financial year	17.07
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years : Not Applicable.  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
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 detail)
- (a) Date of creation or acquisition of capital asset (s) : Not Applicable  
(b) Amount of CSR spent for creation or acquisition of capital asset (s) : Not Applicable  
(c) Detail of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable  
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not applicable
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): Not applicable

**Naveen Kumar Sharma**  
Whole-time Director

**Vinita Singhania**  
Chairperson, CSR Committee

Place: New Delhi  
Date: 17<sup>th</sup> May 2022

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis for the Financial Year ended 31<sup>st</sup> March 2022 are as follows:

Name of Related Party and Nature of relationship	Nature of contracts/arrangements /transactions	Duration of contracts/arrangements /transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Transaction amount (₹ in crores)
JK Lakshmi Cement Limited - Holding Company	Clinker Purchase, Royalty, Cement & others	June 2013 onwards	Purchase of Clinker/others at Arm's length price	N.A.*	10.48
JK Lakshmi Cement Limited - Holding Company	Purchase of Cement	June 2018 onwards	Purchase of Cement at Arm's length price	N.A.*	196.13
JK Lakshmi Cement Limited - Holding Company	Purchase of Petcoke/Coal etc.	June 2018 onwards	Purchase of Petcoke/Coal at Arm's length price	N.A.*	80.94
JK Lakshmi Cement Limited - Holding Company	Sale of Cement & Others	August 2018 onwards	Sale of Cement/other goods at Arm's length price	N.A.*	431.97
JK Lakshmi Cement Limited - Holding Company	Corporate Guarantee taken	one year upto 15 <sup>th</sup> March 2023	Corporate Guarantee by the Holding Company to IDBI Trusteeship Services Ltd. (Debenture Trustee) on behalf of the Company	15 <sup>th</sup> May 2021	350.00

\* Not applicable since the contract was entered into in the ordinary course of business and on Arm's length basis, market rate.

Note: All transactions with JK Lakshmi Cement Limited have been disclosed irrespective of whether they are covered under Section 188 of the Companies Act, 2013 or not. No Advance was paid for any transaction noted above.

On behalf of the Board of Directors

Place: New Delhi  
Date: 17<sup>th</sup> May 2022

**Vinita Singhania**  
Chairperson

## ANNEXURE 'C' TO THE DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

### (A) Conservation of Energy

#### (I) Steps taken for Conservation of Energy

The following initiatives were undertaken towards conservation of energy by the Company:

- Modification in the armour ring and nozzle ring of vertical roller mill to reduce the power consumption.
- Modification in the Grinding Media Pattern, Mill intermediate Diaphragm Center Screen & Inlet chute resulting into the power saving in the Grinding Section.
- In-house modification in the Cooler Roller Crusher to maintain adequate gap for reducing clinker size to reduce the power consumption in cement grinding.
- Design of operational philosophy for various units of the plant to maximize solar power utilization.
- Reduction in False air ingress in Raw mill Fan resulting into power saving.
- Optimization in WHR Section to achieve the Auxiliary power consumption below 4%.
- Optimization of compressed air pressure and re-routing of lines in various sections of plant resulting into power saving.
- Power saving by Fine tuning of various VFDs installed in the plant.

#### (II) Steps taken by the Company for utilizing alternate sources of energy

- Installation of 4.35 MW Captive Solar Power Plant to meet the power requirement.
- Sourcing Solar Power to fulfill more than 14% of the total power required for the plant operations.
- Overall Share of Renewable Energy constitutes more than 45% in the total power consumed during the year.

### (III) The Capital Investment on energy conservation equipment

Sr. No.	Particulars/ Equipment Names	Investment Amount (₹ in Lakh)	Saving/ year (₹ in Lakh)
1.	Change in the orientation of the reheating tubes of AQC Boiler to increase the life of the tubes by a year.	5	35
2.	Installation of Calciner burner and modification on the TAD air entry to save specific energy consumption.	7	39
3.	In-house installation of additional unloading pipeline in Fly ash feeding and in-house modification in the compressor to increase the conveying capacity.	37	50

### (B) Technology absorption

#### (I) The efforts made towards technology absorption

Business growth depends on the technological advancement inclusion in the operations.

Some of the technological innovations implemented are as under:

- AI based process optimization system (Adaptive predictive Controller) in Mills.
- PID automation implemented in the axial and radial blowers of kiln burner.
- Installation of Variable Frequency Drive in the Vibro feeder in the OLBC Discharge hopper for the smooth operation and to control feed.
- Automation of Cooler fans flow in DCS for the effective operation.
- Ball Coal Mill baghouse purging sequence shifted

to DCS for proper optimisation of Differential pressure, Hence reduction in power consumption of baghouse fan.

- Installation of Axial Vibration Monitors on major process fans.

**(II) The Benefits derived like product improvement, cost reduction, product development or Import substitution**

- Increase in the length of Venturi to reduce material drop of 4<sup>th</sup> Cyclone to inlet resulting into kiln stability and increase in the kiln productivity.
- Kiln light-up fuel change for the monetary savings.
- A new product launched-Platinum Supremo reduces the carbon footprint and enhances the product sustainability.
- Replacement of the virgin raw materials such as Mineral Gypsum, Red Ochre with waste derived alternative raw materials for natural resources savings.
- Optimisation in the Raw Mill to enhance the clinker quality.

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

**a. The details of Technology Imported**

- Coal Metering and dosing system

- Sino walk Cooler module for Pyro processing plant
- Process Optimization Software
- Particle size Distribution Analyzer
- Cement Mill Diaphragm and Liners.

**b. The Year of Import:-**

Particulars	Year of Import
Coal metering and dosing system	2020-21
Sino walk Cooler module for Pyro Process	2020-21
Process Optimization Software	2020-21
Particle Size Distribution Analyzer	2020-21
Cement Mill Diaphragm and liners.	2020-21

- c. Whether the technology has been fully absorbed:- Yes
- d. If not fully absorbed, areas where absorption has not taken place and reason thereof: - N.A.

**(IV) Expenditure on Research and Development: Nil**

**(C) Foreign Exchange Earnings and Outgo**

Sr. No.	Particulars	Amount in ₹ Lakhs
1.	Foreign Exchange Earned	-
2.	Foreign Exchange Used (CIF value of Imports of Fuel, Stores & Spares, etc.)	1,357

On behalf of the Board of Directors

**Vinita Singhania**  
Chairperson

Place: New Delhi  
Date: 17<sup>th</sup> May 2022

## ANNEXURE 'D' TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022

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

To,

The Members,

**Udaipur Cement Works Limited,**

Shripati Nagar, Dabok, P.O. CFA,

Udaipur-313022. (Rajasthan)

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2022** (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (During the period under review not applicable to the Company).

- (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 Obligations and Disclosure Requirements) Regulations, 2015
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchanges Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Not Applicable to the Company during the Audit Period];
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
  - (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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and 2021-(Not applicable to the Company during the Audit Period);

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 [Not Applicable to the Company during the Audit Period];

Other Regulations as applicable and Circulars/Guidelines issued thereunder.

- (vi) Management has identified and confirmed the following laws as being specifically applicable to the Company and complied with:-

- (a) Mines and Mineral (Regulation and Development) Act, 1957 read with Mineral Conservation and Development Rules, 1988
- (b) Mines Act, 1952 read with Mines Rules, 1955
- (c) Cement Cess Rule, 1993
- (d) Bureau of Indian Standards Act, 2016 and Cement (Quality Control) Order made thereunder

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

- (i) Mandatory Secretarial Standard 1 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India,
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange.

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

**I further report that:**

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 provisions of the Act.

Adequate Notices are given to all directors in advance to schedule the Board/Committee Meetings. Agenda and

detailed notes on agenda were also sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

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

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that, during the audit period, the following major events have taken place:-**

1. New set of Articles of Association was adopted by the Company at its Annual General Meeting held on 19th August 2021 (in substitution of the existing Articles of Association) to make it consistent and align it with the provisions of the Act and the Rules made there under.
2. The Company issued Secured, Unlisted Non-Convertible Debentures of ₹ 350 Crore on Private Placement basis.

**This report is to be read along with the following-**

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed a reasonable

basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My

examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The prevailing circumstances in the country on account of COVID-19 pandemic have to some extent impacted my verification of documents and records of the Company.

Place: New Delhi  
Date: 10<sup>th</sup> May 2022  
UDIN: F000234D000293571

**Namo Narain Agarwal**  
Secretarial Auditor  
FCS No. 234, CP No. 3331

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the FY 2021-22 ended 31<sup>st</sup> March 2022:

**A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company**

Non-Executive Directors: Smt. Vinita Singhania, Chairperson, 0.62; Shri Onkar Nath Rai, 0.63; Shri Vinit Marwaha, 0.85 ; Shri Surendra Malhotra, 0.63, and Amb.Bhaswati Mukherjee, 0.28.

Executive Directors: Shri Shrivats Singhaniaed, 44.95 and : Shri Naveen Kumar Sharma, 29.70

**B. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year**

Executive Directors: Shri Shrivats Singhania, ED, 26% and Shri Naveen Kumar Sharma, WTD, 10%.

The increase in sitting fees of Non-Executive Directors –Smt. Vinita Singhania, Chairperson, 97%; Shri Onkar Nath Rai, 54%; Shri Vinit Marwaha, 50%; Shri Surendra Malhotra, 54% and Amb. Bhaswati Mukherjee, 54%.

Shri Pranav Avinash Chitre, CFO, 12% and Ms. Poonam Singh, Company Secretary, 14%.

**C. The percentage increase in the median remuneration of employees is 0.82%.**

**D. The number of permanent employees on the rolls of Company - 341.**

**E. 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**

During the Financial Year 2021-22 on an average employee received an annual increment of 10.53% with individual increment varying from 5.67% to 34.4%.

Further, there was an increase of 19.03% in managerial remuneration during the current financial year.

The remuneration has been paid to the Managerial Personnel in line with the resolution approved by the Board of Directors and Shareholders, as applicable.

**F. Affirmation that the remuneration is as per the Nomination and Remuneration Policy**

We affirm that the remuneration paid during the Financial Year 2021-22 is as per the Nomination and Remuneration policy of the Company.

On behalf of the Board of Directors

**Vinita Singhania**  
Chairperson

Place: New Delhi  
Date: 17th May 2022



# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is an integral part of values, ethics and best business practices followed by the Company. The core values of the Company are:

- commitment to excellence and customer satisfaction
- maximizing long term shareholders' value
- socially valued enterprise; and
- caring for people and environment.

In nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit. The Company has in

place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

## 2. BOARD OF DIRECTORS

As on 31<sup>st</sup> March 2022, the Board of Directors of the Company consists of Seven Directors comprising of two Executive Directors (ED) and five Non-executive Directors (NED) out of which four are Independent Directors (IND). Four Board Meetings were held during the Financial Year 2021-22 ended 31<sup>st</sup> March 2022, on 15<sup>th</sup> May 2021, 26<sup>th</sup> July 2021, 26<sup>th</sup> October 2021 and 27<sup>th</sup> January 2022. Attendance and other details of the Directors for the Financial Year ended 31<sup>st</sup> March 2022 are given below:

Name of the Directors	DIN	Category	No. of Board Meetings Attended	Whether last AGM attended 19 <sup>th</sup> August 2021	No. of other Directorships and Committee Memberships/ Chairmanships		
					Directorships *	Committee Memberships@	Committee Chairmanships@
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Smt. Vinita Singhania, Chairperson	00042983	NED	4	Yes	5	-	-
Shri Onkar Nath Rai	00033142	IND	4	Yes	-	-	-
Shri Surendra Malhotra	00271508	IND	4	No	7	3	2
Shri Shrivats Singhania	02359242	ED	4	Yes	1	-	-
Shri Vinit Marwaha	00051403	IND	4	Yes	4	1	-
Shri Naveen Kumar Sharma	08152305	ED	4	Yes	-	-	-
Amb. Bhaswati Mukherjee	07173244	IND	4	No	3	1	-

\* Excluding private companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("Act"). Independent directorships held by the Directors are in accordance with the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

@ Only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

Other Listed companies where Directors of the Company are Directors and their category of directorship (as on 31<sup>st</sup> March 2022)

Sl. No	Name of Directors	Name of Listed Company	Category of directorship
1	Smt. Vinita Singhania	JK Lakshmi Cement Ltd HEG Limited Bengal & Assam Company Limited JK Paper Limited	Executive Non- executive Non- executive Non- executive
2	Amb. Bhaswati Mukherjee	JK Lakshmi Cement Ltd. Jindal Stainless Limited Petronet LNG Ltd.	Independent Independent Independent

Note: Other Directors do not hold directorship in any other listed company.

The Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

The Board has identified the following as core skills/expertise/competencies required in the context of the Company's business and sector for it to function effectively:-

(i) Financial and Accounting Knowledge; (ii) Strategic expertise; (iii) Legal & Corporate Governance Expertise; (iv) Technology/ Knowledge pertaining to Cement Industry; (v) Commercial Experience; (vi) Community Service, Sustainability and Corporate Social Responsibility; (vii) Quality and Safety experience; and (viii) Risk governance

All the Board members possess above skills collectively that enable them to make effective contribution to the Board and its Committees. The core skills of individual Directors: (a) the Executive Directors of the Company; namely - Shri Naveen Kumar Sharma is a Professional having vast experience and technical knowledge pertaining to cement industry, environment, quality & safety management, risk governance, sustainability and community service; Shri Shrivats Singhania, an Entrepreneur having rich experience in various aspects of Cement and Paper businesses; (b) the Non-executive Directors of the Company; namely :- Smt. Vinita Singhania is an Industrialist and Entrepreneur having diversified business knowledge and has rich experience in Human Relations, Sustainability, Community Service and Corporate Social Responsibility; Shri Onkar Nath Rai

has wide technical knowledge and experience in management of Cement and Sugar businesses; Shri Surendra Malhotra -strategic expertise and commercial experience; Shri Vinit Marwaha -vast experience in Taxation and Corporate matters; and Amb. Bhaswati Mukherjee - former Ambassador of India to Netherlands, Educationist and a prolific Writer having rich experience on International Relations, Human Rights and Community Service.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any. With a view to foster an improved compliance reporting and monitoring in the Company, the Company has a web based legal compliance tool called "Compliance Manager" developed by Ernst & Young (EY), which is working effectively. Further, legal risks are monitored and mitigated through regular review of changes in the regulatory framework. The Board is also satisfied that plans are in place for orderly succession for appointments to the Board and to Senior Management.

The Company has a Code of Conduct for Management Cadre Staff (including Executive Directors), which is strictly adhered to. In terms of the provisions of Regulation 17(5) of the Listing Regulations and contemporary practices of good Corporate Governance, a Code of Conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said Code is available on the Company's Website ([www.udaipurcement.com](http://www.udaipurcement.com)). All the Board Members and Senior Management Personnel

have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Shri Naveen Kumar Sharma, Whole-time Director.

Relationship between Directors inter-se: Smt. Vinita Singhania is the mother of Shri Shrivats Singhania. None of the other Directors are related to each other within the meaning of the Act.

The number of Equity Shares of ₹ 4 each held by the Non-executive Directors as on 31<sup>st</sup> March 2022 are: Shri Onkar Nath Rai-1 share, Smt. Vinita Singhania-19,08,100 shares.

Shri Vinit Marwaha, Shri Surendra Malhotra and Amb. Bhaswati Mukherjee does not hold any shares in the Company.

The Company does not have any outstanding convertible instruments.

### **3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

In accordance with the provisions of Schedule IV to the Act and Regulation 25 of the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 27<sup>th</sup> January 2022. Shri Surendra Malhotra was unanimously elected as Chairman of the Meeting and all the Independent Directors of the Company were present at the said Meeting.

### **4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In accordance with the provisions of Regulation 25 (7) of the Listing Regulations, the Company has been conducting various familiarization programmes. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company and the weblink is <https://bit.ly/3MRAx7d>.

### **5. PERFORMANCE EVALUATION**

As required, the Nomination and Remuneration Committee of Directors specified the manner for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of the Act and the Listing Regulations.

The Board of Directors has made formal annual evaluation of its own performance and that of its Committees and individual Directors (including Independent Directors) pursuant to the provisions of the Act and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as composition of Committees, terms of reference of Committees, effectiveness of the Committee meetings, participation of the Members of the Committee in the meetings, etc.

The Board carried out evaluation of the performance of individual Directors (including Independent Directors) on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its Committees, exercise of his/ her duties with due & reasonable care, skill and diligence, etc.

In a separate Meeting of the Independent Directors of the Company, performance of the Non-independent Directors, performance of the Board as a whole and performance of the Chairperson was evaluated, taking into account the views of Executive and Non-executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were fully satisfied in this regard.

### **6. AUDIT COMMITTEE**

The Company has an Audit Committee of Directors since 2001. The composition and the "Terms of Reference" of the Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations as amended from time to time.

The Committee consists of four Directors, out of which three are Independent Directors (IND) and

one is Executive Director (ED). Four Meetings of the Audit Committee were held during the Financial Year ended 31<sup>st</sup> March 2022.

Dates of the Meetings and the number of Members attended:

Dates of Meetings	Number of Members attended
15 <sup>th</sup> May 2021	4
26 <sup>th</sup> July 2021	4
26 <sup>th</sup> October 2021	4
27 <sup>th</sup> January 2022	4

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman, IND	4
Shri Vinit Marwaha	IND	4
Shri Surendra Malhotra	IND	4
Shri Naveen Kumar Sharma	ED	4

The Audit Committee Meetings were attended by the Chief Financial Officer, Internal Auditor, Company Secretary and the Statutory Auditors. The Company Secretary acts as the Secretary of the Committee.

## 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders' Relationship Committee at the Board Level which consists of three Independent Directors. The composition and the "Terms of Reference" of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations as amended from time to time.

Dates of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
26 <sup>th</sup> July 2021	3
26 <sup>th</sup> October 2021	3
27 <sup>th</sup> January 2022	3

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Vinit Marwaha	Chairman, IND	3
Shri Onkar Nath Rai	IND	3
Shri Surendra Malhotra	IND	3

Ms. Poonam Singh, Company Secretary is the Compliance Officer who oversees the investors' grievances including related to transfer / transmission of shares, non-receipt of Annual Report etc. During the Financial Year ended 31<sup>st</sup> March 2022, the Company received only 3 complaints from the Shareholders and the same have since been resolved to the satisfaction of Shareholders.

The Board of Directors has delegated the power of transfer / transmission of shares and related matters to 'Share Transfer Committee'. The share transfer/ transmission formalities are attended as required. All valid requests for transfer / transmission of shares in physical form were processed in time and there were no pending transfers / transmission of shares. During the Financial Year ended 31<sup>st</sup> March 2022 four (4) Meetings of the Share Transfer Committee were held.

## 8. NOMINATION AND REMUNERATION COMMITTEE

The Company has a 'Nomination and Remuneration Committee' comprising of four Directors, including three Independent Directors (IND) and one Non-executive Director (NED). The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations as amended from time to time.

Dates of the Meeting and the number of Members attended:

Dates of Meetings	Number of Members attended
15 <sup>th</sup> May 2021	4
26 <sup>th</sup> July 2021	4
27 <sup>th</sup> January 2022	4

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman, IND	3
Smt. Vinita Singhanian	NED	3
Shri Surendra Malhotra	IND	3
Shri Vinit Marwaha	IND	3

## 9. NOMINATION AND REMUNERATION POLICY

The Company's Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company *inter alia* specifies the role and the criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity. The Policy is available at the website of the Company and the weblink is <https://bit.ly/3HsmaFj>. The salient features of the policy are as follows:

- (i) The role of the Nomination and Remuneration Committee of Directors (the Committee) shall, include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of Directors a policy relating to the nomination and remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; recommendation to the Board of Directors of all remuneration, in whatever form, payable to senior management and for every appointment of an independent director, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- (ii) The Committee shall take into consideration the following criteria for recommending to the Board appointment of any Director of the Company: (a) Qualifications & experience; (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc.; (c) In case the proposed appointee is an Independent Director, he/she should fulfill the criteria for appointment as Independent Director as per the applicable laws &

regulations; (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of applicable Laws.

- (iii) The Committee will recommend to the Board appropriate compensation to be paid to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other relevant factors. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- (iv) The Board will review the performance of the Board of Directors, its Committees and individual Director as per the parameters and manner of performance evaluation specified by the Committee from time to time.
- (v) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.
- (vi) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## RISK MANAGEMENT COMMITTEE

During the year, the Company has constituted Risk Management Committee pursuant to the provisions of Regulation 21 of the Listing

Regulations which consists of seven Members, comprising of four Directors including one Independent Director (ID) and three Senior Executives (SE) of the Company. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of the Listing Regulation, which broadly include: Formulation of Risk Management Policy (Policy) which shall include Identification of major internal and external risks, including in particular financial, operational, sectoral, sustainability (ESG related risks), information, cyber security risks, Business Continuity Plan and measures monitoring and reviewing risk management and mitigation plan of the Company; oversee implementation and review of the Policy; informing Board on the effectiveness of the risk management framework.

Date of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
26 <sup>th</sup> October 2021	6
24 <sup>th</sup> January 2022	7

The name of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Smt. Vinita Singhania	Chairperson, NED	2
Shri Vinit Marwaha	IND	2
Shri Shrivats Singhania	ED	2
Shri Naveen Kumar Sharma	ED	2
Shri Pranav Chitre	SE	1
Shri Dinesh Kumar Arora	SE	2
Shri Shashikant Kumar	SE	2

In addition, the Company has an Internal Risk Management Committee since 2019, comprising of Directors and Senior Executives which meets on a quarterly basis and evaluates the efficacy of the framework relating to risk identification and its mitigation and keep the Board informed.

## 10. REMUNERATION PAID TO DIRECTORS

During the Financial Year 2021-22, the remuneration paid to Directors are given below:

### (i) Executive Directors

₹ In Crore

Sl. No	Particulars of Remuneration	Name of Director	
		Shri Shrivats Singhania (Executive Director)	Shri Naveen Kumar Sharma (Whole-time Director)
1	Salary	1.70	1.21
2	Perquisites, etc.	0.32	0.16
3.	Others (mainly contribution to Provident Fund)	0.15	0.06
	<b>Total :</b>	<b>2.17</b>	<b>1.43</b>

The Tenure of Office of Shri Shrivats Singhania, Executive Director and Shri Naveen Kumar Sharma, Whole-time Director is five years and three years, respectively from their respective dates of appointment. In the case of Executive Directors, their notice period is six months. Further, the Company does not have Sweat Equity/Scheme for Stock Option.

### (ii) Non-Executive Directors

During the Financial Year 2021-22, the Company paid sitting fees aggregating to ₹ 14.55 Lakh to all the Non-executive Directors (NEDs) for attending the Meetings of the Board and Committees of Directors of the Company. The Non-executive Directors did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

## 11. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGMs) of the Company were:

Year	Location	Date	Time
2018-19	Regd. Office: Shripati Nagar, P.O. CFA, Dabok Udaipur-313 022 (Rajasthan)	17 <sup>th</sup> August 2019	11.00 A.M.
2019-20	Video Conferencing/Other Audio Visual Means	17 <sup>th</sup> August 2020	11.00 A.M.
2020-21	Video Conferencing/Other Audio Visual Means	19 <sup>th</sup> August 2021	12.00 NOON

Details of Special Resolutions passed in the previous three AGMs: Special Resolutions regarding re-appointment of Shri O.N.Rai as an Independent Director and Authorisation to the Board of Directors for borrowings upto an amount not exceeding ₹ 1,500 Crore and to create mortgage/charges on the properties of the Company in favour of the lenders upto an amount not exceeding ₹ 1,500 Crore were passed in the AGM held on 17<sup>th</sup> August 2019. Special Resolution for appointment of Shri Shrivats Singhania as an Executive Director for a period of five years w.e.f. 1<sup>st</sup> April 2020 was passed in the AGM held on 17<sup>th</sup> August 2020 and Special Resolutions regarding Re-appointment of Shri Naveen Kumar Sharma (DIN No: 08152305) as Whole-time Director of the Company for a period of three years and Approval and adoption of the new set of Articles of Association of the Company were passed in the AGM held on 19<sup>th</sup> August 2021.

During the Financial Year 2021-22, no Special Resolution was passed through Postal Ballot. There is no immediate proposal for passing any Special Resolution through Postal Ballot.

## 12. DISCLOSURES

- (a) **Related Party Transactions:** Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large: None.

Suitable disclosures as required by Ind AS- 24 - Related Party Transactions have been made in the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Act and Regulation 23 of the Listing Regulations.

The Company has formulated a policy on the materiality of Related Party Transactions and on dealing with Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is <https://bit.ly/3xAvqvw>.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years: There were no cases of non-compliance of any matter related to capital

markets during the last three years.

- (c) **Vigil Mechanism/Whistle Blower Policy:** The Board of Directors of the Company at its Meeting held on 13<sup>th</sup> August 2014 had established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action. The details of establishment of such mechanism has been also disclosed on the website of the Company. During the year, no concerns or any fraud were reported. Further, it is affirmed that no personnel has been denied access to the Audit Committee.

- (d) **Prevention of Sexual Harassment of Women at Workplace:** Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work place(s) to redress the complaints of women employees.

During the year, there was no complaint filed with ICC and no complaint pending as on 31<sup>st</sup> March 2022.

- (e) **Disclosure of commodity price risks and commodity hedging activities:** As a part of Risk Management mechanism, the Company has identified fluctuations in major commodity prices as one of the risks. To mitigate the same, the Company undertakes commodity hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to ensure availability of raw material and prices under check.

**Requisite details pursuant to SEBI Circular dated 15<sup>th</sup> November 2018:** For the Financial Year 2021-22, Company's exposure in petcoke and coal

was more than 10% of the total cost of production. Board of Directors considered Petcoke and Coal as 'Material' commodities for the purpose of disclosure as required under the aforesaid SEBI Circular.

(i) Total exposure of the Company to commodities : ₹ 91.31 Crore

(ii) Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
<b>Pet Coke</b>	77.89 Crores	0.53 Lakh MT	NIL	NIL	NIL	NIL	NIL
<b>Coal</b>	13.42 Crores	0.18 Lakh MT	NIL	NIL	NIL	NIL	NIL

(iii) Commodity risks faced by the Company during the year : Nil

**(f) Details of utilization of funds raised through preferential allotment as specified under Regulation 32 (7A):** During the Financial Year ended 31<sup>st</sup> March 2022, the Company has not raised any funds through preferential Allotment or through Qualified Institutions Placement.

**(g) Certificate:** The Company has received a certificate dated 10<sup>th</sup> May 2022 from Shri Namo Narain Aggarwal, Company Secretary in Practice (FCS No.234, CP No. 3331) that none of the Directors on the Board of Udaipur Cement Works Limited has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

#### (h) Credit Ratings

Ratings to various facilities of the Company by Rating Agencies are as under:

Sl. No.	Facility	Rated Amount (₹ in Crore)	Outstanding as on 31.3.2022 (₹ in Crore)	Rating Agency	Rating Assigned
<b>A</b>	<b>Long Term Bank Facilities</b>				
1	Long Term Bank facilities	578.72	578.72	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable)
2	Long Term Bank facilities	578.72	578.72	CRISIL Ltd.	CRISIL AA; Stable (Double A; Outlook Stable)
3	Long Term Bank facilities : Proposed Expansion	500.00	--	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable)
4	Long Term Bank facilities : Proposed Expansion	1100.00	--	CRISIL Ltd.	CRISIL AA; Stable (Double A; Outlook Stable)
<b>B</b>	<b>Short Term Bank Facilities</b>				
1	Short Term Bank Facilities	20.00		CARE Ratings Ltd.	CARE A1(+) (A One Plus; Outlook Stable)
2	Short Term Bank Facilities	20.00		CRISIL Ltd.	CARE A1(+) (A One Plus; Outlook Stable)
<b>C</b>	<b>Non-Convertible Debentures</b>	350.00	350.00	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable) /CARE A1(+) (A One Plus; Outlook Stable)



During the year under review, CARE Ratings Ltd. has upgraded the Credit Rating in respect of Company's:

1. Long Term Banking Facilities from CARE AA (CE) Stable (Double A [Credit Enhancement] ); Outlook: Stable to CARE AA : Stable (Double A : Outlook Stable) on Standalone basis.
2. Short Term Bank Facilities from CARE A1(+) (CE) (A One Plus [Credit Enhancement] Outlook: Stable. ) to CARE A1(+) (A One Plus; Outlook Stable) on Standalone basis.

During the year under review, CARE has assigned Credit Rating in respect of Company's Non Convertible Debentures at CARE AA : Stable (Double A : Outlook Stable) / CARE A1(+) (A One Plus; Outlook Stable).

During the year under review, CRISIL has assigned the Credit Rating for Company's Long Term Banking Facilities at CRISIL AA : Stable (Double A : Outlook Stable) and Short Term Bank Facilities at CRISIL A1(+) (A One Plus).

- (i) Dividend Distribution Policy: The Company has framed a Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations. The Policy has been posted on the website of the Company and the web-link for the same is <https://bit.ly/3Qpk2Co>.
- (j) There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the Financial Year ended 31<sup>st</sup> March 2022.
- (k) Total fees for all services paid by the Company 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: Details regarding fees paid to the Statutory Auditors are given in Note No. 58 of the Financial Statements.

### 13. MEANS OF COMMUNICATION

Quarterly, Half-Yearly and Annual Financial Results are generally published in the leading English newspaper, namely, The Financial Express and one regional daily "Rashtrdoot/ Pratahkal " (Udaipur), having wide circulation and promptly furnished to the Stock Exchange for display on its website.

The results are also displayed on the Company's website - [www.udaipurcement.com](http://www.udaipurcement.com). No Presentation was made to Institutional Investors or to the Analysts.

### 14. GENERAL SHAREHOLDERS' INFORMATION

#### (i) Registered Office

Shripati Nagar, CFA, P.O: Dabok Udaipur-313 022, Rajasthan

#### (ii) Annual General Meeting (AGM)

- (a) Date, Time and Venue: Please refer to Notice of the AGM.
- (b) A brief resume and other particulars of Director(s) seeking re-appointment at the aforesaid AGM are given in the Annexure to the Notice convening the said AGM.

#### (iii) Financial Year: April 1 to March 31

#### (iv) Financial Calendar (Tentative)

##### Financial Reporting

<ul style="list-style-type: none"> <li>• for the quarter ending 30.06.2022</li> <li>• for the half-year ending 30.09.2022</li> <li>• for the quarter ending 31.12.2022</li> </ul>	Within 45 days of the end of the Quarter
<ul style="list-style-type: none"> <li>• for the year ending 31.03.2023 (Audited)</li> </ul>	Within 60 days of the end of the Financial Year
<ul style="list-style-type: none"> <li>• Annual General Meeting for the Financial Year ending 2022-23</li> </ul>	Between July to September 2023

#### (v) Dividend Payment Date: Not Applicable

#### (vi) Date of Book Closure: As in the AGM Notice.

#### (vii) Names and address of Stock Exchange where

**Equity Shares of the Company are listed:** The Equity Shares of the Company (Face Value: ₹ 4 each) are listed on BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

The Annual Listing Fee for the Financial Year 2022-23 has been paid to the aforesaid Stock Exchange.

The securities of the Company are never suspended from trading.

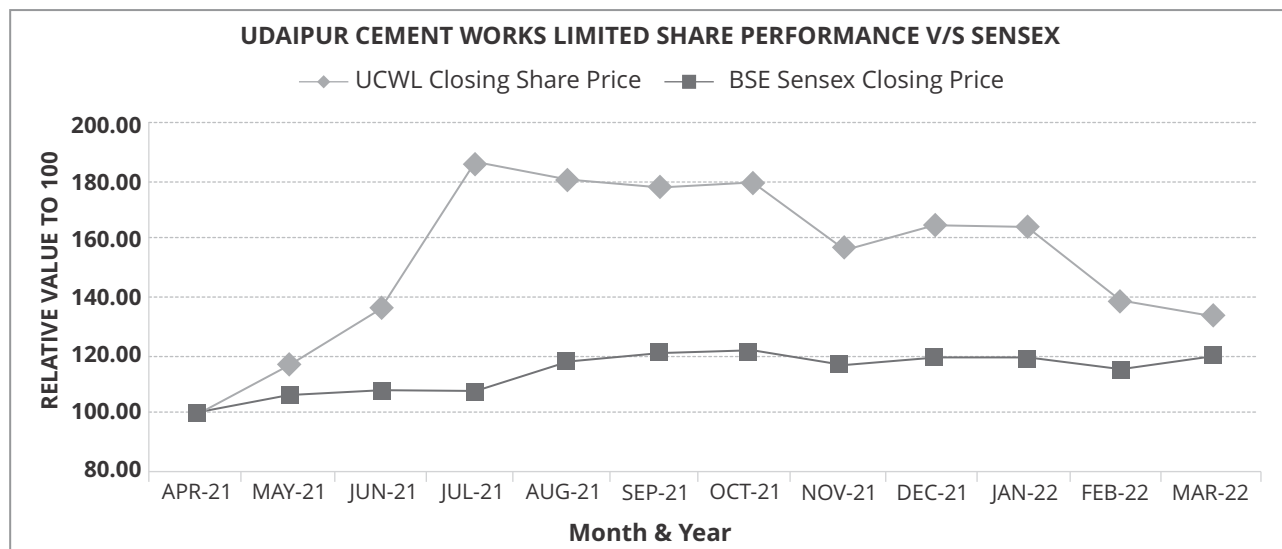
#### (viii) Security Code for Company's Equity Shares on Stock Exchange and ISIN:

BSE - 530131, ISIN: INE225C01029

### (ix) Stock Market Price Data

Months (2021-22)	BSE Ltd. (₹)	
	HIGH	LOW
April 2021	24.00	20.05
May 2021	27.90	21.35
June 2021	31.0	24.55
July 2021	42.00	29.65
August 2021	51.75	38.00
September 2021	42.80	37.50
October 2021	45.50	38.15
November 2021	41.85	33.00
December 2021	40.40	33.00
January 2022	41.70	34.70
February 2022	37.50	28.10
March 2022	32.80	27.50

Udaipur Cement Works Ltd.'s Share Performance v/s BSE Sensex (April '21- March' 22)



### (x) Distribution of Shareholdings as on 31<sup>st</sup> March 2022

Category	No. of Equity Shares of ₹ 4/- each	%	No. of Shareholders	%
1-500	95,16,954	3.06	62,271	79.02
501-1000	66,43,860	2.13	7,825	9.93
1001-5000	1,61,89,176	5.19	6,783	8.61
5001-10000	85,91,101	2.76	1,112	1.41
10001 & above	27,04,68,726	86.86	808	1.03
<b>TOTAL</b>	<b>31,14,09,817</b>	<b>100.00</b>	<b>78,799</b>	<b>100.00</b>

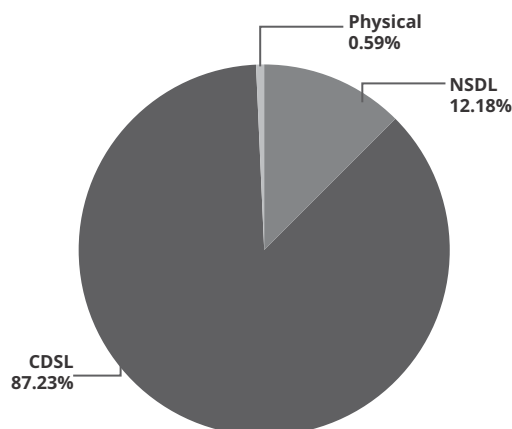
### (xi) Share Transfer System

Pursuant to the provisions of the Listing Regulations, as amended vide SEBI Notifications dated 30<sup>th</sup> November 2018 and 24<sup>th</sup> January 2022, read with SEBI Circular dated 25<sup>th</sup> January 2022 transfer of shares in physical form is not permitted. Accordingly, transfer of shares shall be processed only in the dematerialised form with a depository. Further, transmission or transposition of shares held in physical or dematerialised form shall also be effected only in dematerialised form. On receipt of any request for duplicate issue/renewal/exchange/endorsement/sub-division/splitting/consolidation/transmission/transposition of share certificate by the Company, our RTA will issue a "Letter of Confirmation", in the prescribed format to effect issuance of shares in dematerialised form.

### (xii) Dematerialisation of Shares and Liquidity:

The Equity Shares of the Company are traded on BSE Ltd. Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their physical shares, with any one of the Depositories namely NSDL and CDSL. The ISIN for Equity Shares of the Company for both the Depositories is INE225C01029. As on 31<sup>st</sup> March 2022, 99.41% of the Equity Shares stand dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Particulars and rematerialisation etc. shall be made only to the Depository Participant (DP) of the Shareholders.

#### Shares held in Physical/Demat Form (with NSDL& CDSL) as on 31<sup>st</sup> March 2022:



(xiii) **Outstanding GDRs/ADRs/Warrants/Options or any Convertible instruments, conversion date and likely impact on Equity:** As on 31<sup>st</sup> March 2022- NIL

(xiv) **Commodity price risk or foreign Exchange risk and hedging activities:** During the Financial Year ended 31<sup>st</sup> March 2022, the Company has managed the foreign exchange risk and hedged to the extent considered necessary through forward contracts.

### (xv) Plant Location:

**Udaipur Cement Works Limited**  
Shripati Nagar, CFA, P.O: Dabok,  
Udaipur-313 022, Rajasthan

(xvi) **Address for correspondence regarding share transfers and related matters:**

#### 1. Udaipur Cement Works Limited

Secretarial Department, Gulab Bhawan,  
3rd Floor (Rear Block)  
6A, Bahadur Shah Zafar Marg,  
New Delhi- 110 002.  
Ph:(011) – 68201864  
Contact Person: Ms. Poonam Singh  
E-mail: [ucwl.investors@jkm.com](mailto:ucwl.investors@jkm.com)

#### 2. Registrar & Share Transfer Agent (RTA)- MCS Share Transfer Agent Limited

F-65, First Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110 020,  
Ph. (011) - 41406149-50,  
Fax No. 91-11-41709881  
E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)  
Contact Person: Mr. Ajay Dalal  
E-mail: [ajay@mcsregistrars.com](mailto:ajay@mcsregistrars.com)

(xvii) This Corporate Governance Report of the Company for the Financial Year ended 31<sup>st</sup> March 2022 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.

(xviii) Adoption of discretionary requirements specified in Part E of Schedule II to the Listing Regulations- (a) The Board: The Chairperson of the Company is Non-executive. (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website [www.udaipurcement.com](http://www.udaipurcement.com). At present, the

half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company has a regime of financial statements with unmodified opinion of Auditors; (d) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit Report to the Audit Committee on quarterly basis.

(xix) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**(xx) Information in terms of Schedule V(F) of the Listing Regulations:**

As on 1<sup>st</sup> April 2021, the Company had 6,53,069 Equity Shares, which were unclaimed by 248 Equity Shareholders. These were lying in dematerialized mode in the unclaimed suspense account. Out of

the above the Company received 8 requests for 1900 Equity Shares for crediting to the Demat Account of the Shareholders/dispatch of physical Share Certificate on rematerialization, during the year. As on 31<sup>st</sup> March 2022, the Company has 6,51,169 Equity Shares which remain unclaimed by 240 Equity Shareholders. The voting rights on these shares shall remain frozen till the rightful owner of such Shares claims the shares. The "Unclaimed Suspense Account" is held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

**15. DECLARATION**

This is to confirm that for the Financial Year ended 31<sup>st</sup> March 2022, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

**Naveen Kumar Sharma**  
Whole-time Director

# AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members,  
Udaipur Cement Works Limited**

1. The certificate is issued in accordance with the terms of our engagement with Udaipur Cement Works Limited (the Company).
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March 2022 as stipulated in regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

## **MANAGEMENT RESPONSIBILITY FOR COMPLIANCE WITH THE CONDITIONS OF LISTING REGULATIONS:**

3. The compliance of condition of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

## **AUDITOR'S RESPONSIBILITY:**

4. 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.
5. 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.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirement 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 Service Engagements.

## **OPINION**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and there presentations provided by the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and Para C, D&E of schedule V of the Listing Regulations during the Financial Year ended 31<sup>st</sup> March 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the Company.

## **RESTRICTION ON USE**

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

**For Bansilal Shah & Co**  
Chartered Accountants  
FRN: 000384W

Arvind Shah, Partner  
M. No.: 071690  
UDIN22071690AJWMFM1152

Place: Udaipur  
Date: 17<sup>th</sup> May 2022

## BUSINESS RESPONSIBILITY REPORT



Udaipur Cement Works Limited (UCWL) is one of the leading cement manufacturing Company and a subsidiary of JK Lakshmi Cement Ltd. The Company relentlessly focused on product quality, customer satisfaction, and innovation, which pushed the boundaries and tapped the immense potential for development in the infrastructure and construction sectors in the country. Since its inception, the Company is committed to boosting sustainability through adopting state of art of technology designs, resource-efficient equipment, and various in-house innovations.

The COVID-19 crisis is causing financial distress for many companies. However, UCWL shields its workforce from such impacts, taking care of its employees, surrounding community, and stakeholders. The

Company believes that consistency and involvement are factors for the success of any project designed to instil life-oriented skills to whole communities to help them overcome environmental, social and economical barriers.

This Business Responsibility Report ('BRR') conforms to the requirements contained in Regulation 34 of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'). The Report provides an overview of the initiatives taken by the Company from an environmental, social and governance perspective.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26943RJ1993PLC007267			
2.	Name of the Company	Udaipur Cement Works Limited.			
3.	Registered address	Shripati Nagar, CFA, P.O. Dabok, Udaipur-313 022 (Rajasthan) Tele/Fax: 91-294-2655076-77			
4.	Website	www.udaipurcement.com			
5.	E-mail id	ucwl.investors@jkm.com			
6.	Financial Year reported	1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022			
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Cement and Value-added Product Manufacturing			
		<b>Group</b>	<b>Class</b>	<b>Sub Class</b>	<b>Description</b>
		239	2394	23941 23942	Manufacture of Clinker and Cement
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	i. Cement: <ul style="list-style-type: none"> <li>a. Portland Pozzolana Cement (PPC)</li> <li>b. Ordinary Portland Cement (OPC)</li> </ul> ii. Clinker			
9.	Total number of locations where business activity is undertaken by the Company	<b>Number of National Locations:</b> The Company has one Integrated Unit at Udaipur in Rajasthan.  <b>Number of International Locations: None</b>			
10.	Markets served by the Company	India (North, West and Central)			

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital	₹ 124.56 Crore
2.	Total Turnover	₹ 881.10 Crore
3.	Total Profits after Taxes	₹ 48.43 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after Tax %	During the Financial Year 2021-22, the Company spent ₹ 17.07 lakhs on CSR activities. This represents 2% of the Average Net Profit after Tax on CSR
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> <li>• Healthcare and family welfare</li> <li>• Education, training etc.</li> <li>• Livelihood &amp; Skills Development</li> <li>• Water and Sanitation</li> <li>• Rural Development</li> <li>• Environment Protection and plantation</li> <li>• Disaster Management, Covid-19 relief, etc.</li> </ul>

## SECTION C: OTHER DETAILS

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

No. The Company do not have any subsidiary Company.

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

Not Applicable.

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

The other entities, e.g., suppliers, distributors, etc., of the Company do not participate in the BR Initiatives of the Company.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for the implementation of the BR policy/policies:

DIN Number	08152305
Name	Shri Naveen Kumar Sharma
Designation	Whole-time Director

(b) Details of the BR Head:

DIN Number (If applicable)	NA
Name	Shri Abhishek Bhardwaj
Designation	Senior Engineer
Telephone Number	0294-2655077
E-mail ID	abhishekbhardwaj@ucwl.jkmail.com

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

The 9 Principles are as under:



#### 9 Principles of Business Responsibility



Ethics, Transparency and Accountability



Employee's well-being



Human Rights



Environment



Product Life Cycle Sustainability



Stakeholder Engagement



Policy Advocacy



Inclusive Growth



Customer Value



(a) Details of Compliance (Reply in Y/N):

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Most of the policies are aligned to various System standards like: 1) ISO 9001:2015 for Quality Management System 2) ISO 14001:2015 for Environment Management 3) ISO 50001:2018 for Energy Management System 4) ISO 45001:2018 for Occupational Health & Safety Management System								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	The Code of Conduct for Board Members and Senior Management, and other relevant policies are available on the website of the Company- <ul style="list-style-type: none"> <li>• <a href="https://www.udaipurcement.com/Code%20of%20Conduct-%20Senior%20Management%20&amp;%20Directors.pdf">https://www.udaipurcement.com/Code%20of%20Conduct-%20Senior%20Management%20 &amp;%20Directors.pdf</a></li> <li>• <a href="https://www.udaipurcement.com/ucwlcodes.pdf">https://www.udaipurcement.com/ucwlcodes.pdf</a></li> <li>• <a href="https://udaipurcement.com/company-policies/">https://udaipurcement.com/company-policies/</a></li> </ul>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	While the policy has been circulated to key internal stakeholders, other relevant stakeholders are being covered as deemed necessary, from time to time.								
8	Does the Company have an in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out an independent audit/ evaluation of the working of this policy by an internal or external agency?	Conforming to the ISO Standards, the Company undergoes periodic audits to validate the above systems.								

(b) If the answer to the question at Sr. No. 1 against any principle is 'No,' please explain why:

(Tick up to 2 options): Not Applicable

## 2. Governance related to BR:

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

The Management assesses the Business Responsibility performance periodically.

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

Yes. As required under the SEBI LODR, the Company has been publishing BRR as an integral part of its Annual Report since 2019-20.

**Annual Report for Financial Year 2020-21 can be viewed at:**

<https://bit.ly/3nSNjZc>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency, and Accountability.**

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

The Company has in place a “Code of Corporate Ethics and Conduct” from February 2002, which reiterates its commitment to maintain the highest standards in its interface with stakeholders, clearly laying down the core values and corporate ethics to be practiced by its entire management cadre. All the employees sign this Code at the time of joining the Company.

The Company also has in place a “Code of Conduct for Board Members and Senior Management”. Every year, the Board Members and Senior Management affirm Compliance with this Code of Conduct.

The Company also has in place a Policy on Vigil Mechanism (Whistle Blower Policy) for the Directors and Employees of the Company to report their genuine concerns or grievances.

The said Codes / Policy further extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others and any other event which would adversely affect the interests of the business of the Company. Therefore, the Company encourages its suppliers/ contractors/NGO's/ others to practice to the same extent in a fair manner.

2. **How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the year, the Company has not received any major stakeholders complaints.

**Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

The cement sector contributes around 7% of emissions globally; therefore, designing products that will not cause serious environmental impact is necessary. The Company has been a responsible corporate that facilitates cement products manufactured through sustainable practices and technology without compromising its quality and not harming the environment. Henceforth, the Company also concentrates on more energy-efficient and less carbon-intensive operations by using waste derived material from the other industries such as flyash, waste mix alternative fuel, etc.

The main three products produced by the Company are Clinker, Ordinary Portland Cement (OPC), and Pozzolana Portland Cement (PPC). For the Manufacturing of clinker, alternative Fuels derived from other industrial wastes are used to

replace fossil fuels like Coal, Petcoke etc. In the Production of PPC Cement, other industrial waste materials such as Fly ash, Chemical Gypsum, Jarosite are used to replace virgin raw materials.

- **Platinum Heavy Duty Cement-** Highly reactive fly-ash, resists sulphates and chloride attacks. Thus, it protects the reinforced bars from the menace of rust.
- **Platinum Supremo Cement-** A unique chemical composition and particle packing technology makes it water-resistant. It requires less water (for mixing) for mortar & concrete than regular cement. It also has low alkali content, making structures more durable.

The Company meets around 45% of its total electricity requirement from green power sources. The Company has installed 6.0 MW Waste heat recovery systems at its manufacturing unit, to utilize the waste heat to generate clean electricity.

The Company has further mapped its climate change initiatives with respect to the commitment made by the Nation in COP 26.



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

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

Consumption per unit of Product	FY 2021-22	FY 2020-21
Thermal Energy (kCal/kg of Clinker)	723	727
Electrical Energy (Kwh/ton of Cement)	72	76

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company manufactures cement, which becomes part of concrete products that are durable. Concrete can resist weathering action, chemical attack, and abrasion while maintaining its desired properties. Hence it is not practicable to measure the energy and water usage data in the use phase by the consumer. However, our products are sustainable, which requires a lesser amount of water and energy resources.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company focuses on sustainable sourcing during its procurement practices, which includes-

- Considering safety & environmental aspects in addition to commercial considerations while finalizing the vendors.
- Ensure Raw material sourcing from optimized low lead sources which, in turn, helps us to reduce carbon footprint.
- Company co-process various industrial wastes which directly replaces the virgin raw materials / natural resources, which, in turn, helps to mitigate various environmental risks.

Sustainable sourcing is a continuous process which is evolving day by day & Company ensure to upkeep its procurement & sourcing practices in line with such evolutions.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

The Company has developed local purchase offices at its manufacturing location & ensures to procure goods and services from local suppliers including communities nearby. Preference is being given to local vendors for materials locally available, which helps to mitigate environmental impact that fosters local economy.

The Company also procures various industrial wastes (i.e. ETP Sludge-Chemical Gypsum/AFR/etc.) from MSME Units, for further co-processing in clinker or cement manufacturing process, helping society to develop circular process in waste management.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company is focused on implementing the concept of circularity in its operations. The Company utilizes the 5R methodology wherever possible and includes wastes generated from other industries as raw material in its process through co-processing. The Company has further taken various steps towards management of wastes such as-

- 100% of hazardous waste such as used oil and grease, that are generated from associated processes is being recycled through Central/State Pollution Control Board authorized re-cyclers.
- Domestic wastewater generated is treated in Sewage Treatment Plants (STP) and the treated water is used for the development of plantation and green belt.
- The product by virtue of its utilization becomes part of the concrete that lasts for years.

**Principle 3 Businesses should promote the wellbeing of all employees.**

- 1. Please indicate the Total number of employees:**  
341
- 2. Please indicate the Total number of employees hired on a temporary/contractual/casual basis:**  
635
- 3. Please indicate the number of permanent women employees:**  
3
- 4. Please indicate the number of permanent employees with disabilities:**  
Zero
- 5. Do you have an employee association that is recognized by management?**  
There are worker Unions affiliated with the Indian National Trade Union Congress (INTUC).
- 6. What percentages of your permanent employees are members of this recognized employee association?**  
Around 14.1% of our permanent workmen are part of the above-mentioned trade unions.
- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as of the end of the financial year.**

Category	No. of Complaints filed during the Financial Year	No. of Complaints pending as of the end of the Financial Year
Child labour/Forced labour/ Involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

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

CATEGORY	SAFETY	SKILL UPGRADATION
Permanent employees	100%	90%
Permanent women employees	100%	100%
Casual/ Temporary/ Contractual employees	72%	53%
Employees with disabilities	Nil	Nil

**Principle 4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.**

**1. Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has strong business commitment towards shared value creation for various stakeholders and have accordingly mapped its internal and external stakeholders. The Company interacts with its various stakeholders throughout the year to ensure sustainable and harmonious relations. The Company's internal stakeholders include employees, whereas external stakeholders include business partners / suppliers, customers, communities around business operations, society, competitors, shareholders/ investors, and the governments.

Details are available in the Annual Report for the Financial Years 2019-20 and 2020-21 at the Company website: <https://udaipurcement.com/annual-reports/>.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, the Company has identified the disadvantaged, vulnerable, and marginalized stakeholders. It includes

- Scheduled castes and scheduled tribes in the nearby society.
- Economically weaker groups including Below Poverty Line families, small and marginal farmers, landless groups, women-headed families and special children
- Persons in the society suffering from any type of chronic diseases.
- Youths with no skills for either employability or resources for small business -communities in the vicinity of the manufacturing plants
- Contractual workers and their families working in the plants and other related works.

During the pandemic, the Company extended its CSR interventions and support to the people in the nearby communities.



**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**



The Company consistently engages with its identified marginalized and vulnerable sections of the society, in the vicinity of its operational site. Various CSR interventions are being made to empower the community nearby to attain social inclusiveness.

**Some of the key intervention areas include:**

**Education-**

- Construction of separate toilets for boys and girls in Govt. Schools.
- Providing academic scholarships to meritorious students from economically weak families studying in a government school.
- providing steel lunch boxes to the children of government primary school
- Electrification of government school

**Health Care:**

- Dental health check-up camp for school children
- Eye check-up camp with the collaboration of Alakh Nayan for school children.
- Blood donation camps
- Distribution of Hygiene Kit (Brush, Paste, Soap, Nail cutter, shampoo) to school children.

- Health-related awareness programs on reproductive child health, family planning, antenatal care, counseling to lactating mothers, personal hygiene, and ARSH issues.

**Community Development Programs-**

- Installation of the safe drinking water tank and tap in Govt. Schools. Construction of 30,000 liters of RCC water tank ensuring regular water availability in a village of 250 households facing acute water scarcity.
- Drinking water facility through water tankers to nearby villages covering 10,000 population.
- Stitching Centers for school dropout girls and women, especially of Below Poverty Line.
- Awareness and training programs to farmers on scientific agriculture practices.
- Construction of bridge (pathway) over irrigation canals for easy commuting of locals, especially school children.



**Principle 5 Businesses should respect and promote human rights.**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company focuses on responsible business with outmost respect for every individual. The Company is committed to follow the fundamental principles and practices that support human rights. The Company's operations, employees, investors, customers, contractors, suppliers,

supply chain partners are subject to our standpoint on human rights. For instance:

- (1) Respect for all.
- (2) Equal opportunities/treatment regardless of nationality, caste, religion, color, or sex.
- (3) Ensuring Healthy and balanced work environment.
- (4) No child labor/forced/compulsory labor.
- (5) The Company has been specifically looking after the welfare of underprivileged sections of the society, by undertaking various social welfare projects including adult education, prevention of AIDS, medical camps, etc. under its CSR initiatives.
- (6) The Company has laid down basic standards and procedures regarding "Health and safety", Freedom of Association, and Right to collective bargaining, Disciplinary Practices, Working Hours and Remuneration as per the applicable norms and guidelines by the government.

Further, the Company encourages its suppliers and contractors to meet with the human rights obligations as applicable to them.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company did not receive any stakeholder's complaint in the Financial Year 2021-22 for violation of human rights.

**Principle 6 Businesses should respect, protect and make efforts to restore the environment.**

**1. Does the policy related to Principle 6 cover only the Company or extend to the Group/ Joint ventures/ Suppliers/ Contractors/ NGOs/ others?**

Responsibility towards the environment and mother nature has been one of the topmost priorities for UCWL. The Integrated Sustainable Development Policy covering the implemented international system standards (ISOs) is the guiding document in this direction. The Company

is committed to reduce any adverse effects of its manufacturing operations and activities to the environment. Various initiatives such as installation of latest art of technology pollution control equipment, installation of solar power plants, installation of waste heat recovery systems, extensive green belt development, waste collection system, waste-water treatment facilities and rainwater harvesting, etc have been taken to protect the environment. The Company further encourages its value chain partners to follow the same.



**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlinks for webpage, etc.**

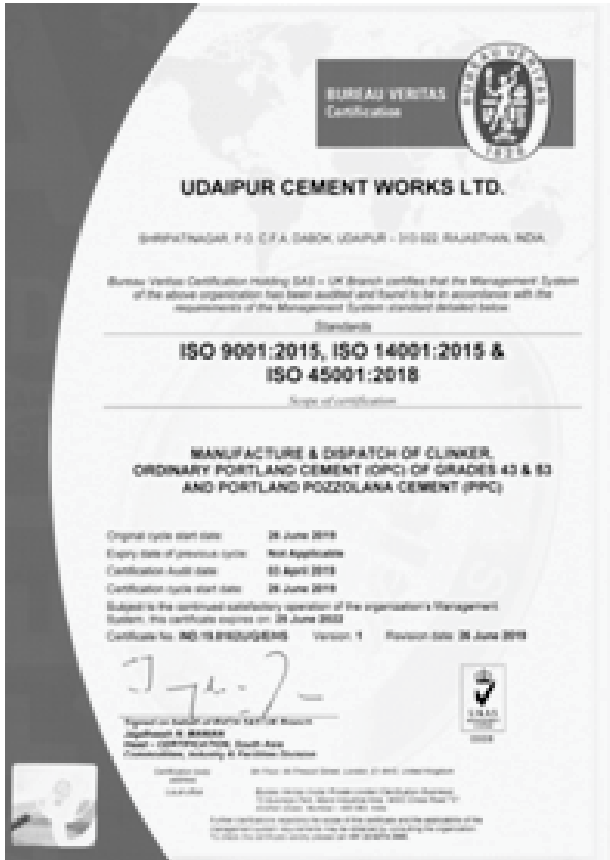
Yes, the Company has developed strategy for reducing its impact on climate change and global warming. Some of the targets and initiatives taken by the Company are:

- (1) Formulated the carbon emission reduction strategy in line with India's commitment at COP26.
- (2) Increasing Thermal Sustitution Rate (TSR) to 20% by 2030.
- (3) Increase the total green power mix in total electricity by more than 50% by 2025.
- (4) Registration of WHRS project of capacity 6 MW as CDM project with UNFCCC. ([https://cdm.unfccc.int/Projects/DB/KBS\\_Cert1609391581.81/view](https://cdm.unfccc.int/Projects/DB/KBS_Cert1609391581.81/view))
- (5) The manufacturing plant has been covered under the Perform, Achieve and Trade (PAT) scheme under Bureau of Energy Efficiency under Ministry of Power, Government of India., for reducing its specific energy consumption year on year.
- (6) Attaining water positivity to 5 times by 2025.

The Company has always been proactive in its commitment to practices through its Integrated Sustainable Development Policy and Corporate Environment Policy and standards designed to promote environmentally responsible operations.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes, the Company has identified and assessed potential environmental risks under its Environment Management Systems (ISO 14001:2015), which is periodically reviewed / updated and modified with respect to certification audits conducted by an independent 3<sup>rd</sup> party.



**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Yes, the Company has registered its 6 MW Waste Heat Recovery Based Power Generation at Plant as Clean Development Mechanism (CDM) project with UNFCCC. There is no requirement of filing any Compliance Report.

([https://cdm.unfccc.int/Projects/DB/KBS\\_Cert1609391581.81/view](https://cdm.unfccc.int/Projects/DB/KBS_Cert1609391581.81/view))

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.**

Yes. The Company has embarked on clean technology, energy efficiency and renewable energy in its cement plant to achieve an environmentally friendly and cleaner operation. This is in line to support UN SDG goal 12 i.e., ensure sustainable consumption and production patterns.

The Company consumed around 45% of green power in its total electricity mix thereby eliminating significant quantity of GHG emissions occurring otherwise due to consumption of conventional coal-based electricity. The operating plant of the Company is covered under Perform Achieve and Trade Initiative of government for targeted reductions in energy intensity.



**6. Are the Emissions/Waste generated by the Company within the permissible limits are given by CPCB/SPCB for the financial year being reported?**



Yes, all the emissions/waste generated by the Company are within the permissible limits as provided by CPCB/SPCB and other regulatory bodies. All the emission stacks are equipped with Online Continuous Emission Monitoring systems (OCEMS) which provide real-time emission data directly to Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB). The Company maintains its zero tolerance on non-compliance commitment through an additional online technology-based tool in addition to other systems, periodically.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as of the end of Financial Year.**

No show cause/legal notices received from CPCB/SPCB are pending as of the end of Financial Year 2021-22.

**Principle 7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

**1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**



Yes. The Company is a member of the following trade/ chamber/ associations:

- (a) Cement Manufacturers' Association (CMA)
- (b) Udaipur Chamber of Commerce & Industry, Udaipur (UCCI)
- (c) The Employer's Association of Rajasthan (EAR)
- (d) Rajasthan Solar Association (RSA)

Apart from the above, some of the senior executives of the Company are active members (Office Bearers) of Industry Associations of repute and work towards promoting common interests of trade and industries addressing issues faced by businesses and encouraging the formulation of an industry-friendly environment through policy makers.

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

The primary purpose of the above associations is to create a platform for the advancement and advocate public good, and the Company has been broadly using Trade Association/Chambers of Commerce. It has been taking advocacy positions from time to time in the areas of Corporate Legal Reforms, Economic Reforms, Social Security, Water Conservation, Sustainable Business Principles, etc.

Further, in line with United Nations Sustainable Development Goals (SDGs) no. 17 regarding "Partnership for the Goals", Company continuously advocates the use of eco-friendly manufacturing processes and use of alternative fuels, Energy Conservation, Water Conservation, Waste Management, Energy Efficiency Practices, etc. across its values chain through regular presentations, exhibitions, etc. on multiple national and international platforms and conferences organized by various associations.

**Principle 8 Businesses should support inclusive growth and equitable development.**

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

Yes, the Company has always been committed to inclusive growth and equitable development. The various policies including CSR policy of the Company strongly reflects the commitment towards inclusive growth and development. The vision of the Company's CSR is to bring sustainable change in quality of life of neighborhood community through innovative solutions in Education, Health, Livelihood and Community Development". Accordingly, the major CSR thrust areas of the Company are Health; Water & Sanitation; Education; Skill development

and Livelihood, Environment sustainability and Community Development. The CSR programs have defined goals and objectives to pursue inclusive growth and equitable development through the Company's CSR policy. The Company implemented several "Ongoing" and "Other than Ongoing Projects" in thrust areas of Health; Water & Sanitation; Education; Skilling & Livelihoods and Rural development. On the livelihoods front under Project Aajivika, the Company undertook multiple on-farm and off-farm activities including employability skills trainings to support youths and families to ensure sustainable income. Number of youths were provided employability trainings and were facilitated for the placement locally. Number of small and marginal farmers were supported with soil testing, seeds, and training on improved agriculture practices. Livestock development has also been one of the key activities to strengthen livelihoods of the communities and families. As a part of livestock development project, the Company initiated door-to-door veterinary services including infertility treatment, awareness on disease management and fodder development in few villages with the support of Animal Husbandry Department, Government of Rajasthan. Under Project Arogya, the Company organized number of medical camps in the nearby villages. Under community Development Project, the Company constructed toilets at school; repaired government school building and undertook upgradation works for Anganwadis. As the beginning of Financial Year saw deadly outbreak of COVID-19 Delta variant, the Company responded to this humanitarian crisis by providing PPE kits, Oximeters and the cotton masks to the local Gram Panchayats, hospitals, and schools.

Our Social intervention programs and initiatives towards inclusive growth and equitable development are aligned to United Nations Sustainable Development Goals (SDGs) Nos. 1, 2, 3, 4, 5, 6, 8 & 10.



**2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?**

The Company generally pursue CSR programs and activities directly which are based on the survey reports, consultations with stakeholders, and need identification. The Company has an in-house team deployed at the unit for the direct implementation of our CSR activities, which is monitored by Central CSR team at corporate office. On a need basis, NGO/Implementing Agencies are identified for specific expertise and implementation support.



**3. Have you done any impact assessment of your initiative?**

During the reporting period the Company has not undertaken impact assessment as this year we had completed CSR Need Assessment Study.

**4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The unprecedented covid pandemic time has affected many companies' profitability across the globe and this has automatically caused an impact on their Corporate Social Responsibility (CSR) budget. The Company's CSR Projects/ Programmes and activities have been given in the Annual report as Annexure-D. During the Financial Year 2021-22, the Company has spent ₹ 17.07 lakh on its CSR initiatives.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

At UCWL engagement with the community comes with people's full participation and involvement to reap maximum benefits of various CSR community development projects. Before initiating any community engagement and welfare program, Company consults and organizes group discussions with the village sarpanch and gram panchayats, detailing on the purpose and long-term benefits of the project intervention ensuring full participation of the community people. The process of continual engagement with the community is an ongoing process. Focus on awareness and capacity building of community groups is at the core of building sustainability of various CSR projects and through this process positive skills and behaviors are adopted which bring qualitative improvement in the lives of people. The Company also focus on building trust, faith, and rapport with local communities/ stakeholders as a part of creating "local ownership and participation" into the project planning implementation and evaluation which helps in successful adoption of projects by the communities.

The Company implemented initiatives such as stitching, Computer Education, and Skill development programs. The Company is working closely with the communities to help prioritize their needs in three categories i.e., immediate plan, short-term plan, and long-term plan to ensure that the underlying objectives are achieved on a sustainable basis and lead to a positive outcome.



**Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

- 1. What percentage of customer complaints/ consumer cases are pending as of the end of the financial year?**

We believe excellent customer satisfaction, high customer retention, and prioritizing customer success are essential for a business to grow. No customer complaints/consumer cases were pending as of the end of the financial year 2021-22.

The customers may approach the Company through various mediums such as emails, toll-free nos., website, channel partners and Company's offices, etc.

- 2. Does the Company display product information on the product label, over and above what is mandated per local laws? Yes/No/N.A./Remarks (additional information)**

The Company displays all the required product information on the product label as per the applicable rules and guidelines such as the Bureau of Indian Standards (BIS).

- 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising, and/or anti-competitive behavior during the last five years and pending as on the end of the financial year. If so, provide details thereof, in about 50 words or so.**

No such cases were filed against the Company

- 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, customer satisfaction plays a leading role by comprehending customers' perceptions and the Company provides a range of products that cater to different customer needs.

During such an unprecedented time of change due to the COVID-19 pandemic, the experience and services provided by the companies to their customers are essential. By cultivating compact integration of material and digital systems, and deriving actionable insights, the Company puts lots of effort to understand the need of customers, their complaints through feedback, online survey, or by making individual calls to our customers or dealers through the call center. The Company ensures that none of the calls or miss calls at the call center goes unattended. The Company is further expanding its reach with digital media platforms to connect with the far end customers and deliver on their expectations.

# INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF UDAIPUR CEMENT WORKS LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our 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, 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<b>Recognition of Revenue, measurement, presentation and disclosure as per Ind AS-115 "Revenue from Contracts with Customers".</b> (Refer Sub-note No.III. (13) of Note 1 of Accounting Policy).	<p>Our response to the risk- We performed the following audit procedures over this risk area:</p> <ul style="list-style-type: none"><li>• We performed walkthroughs to understand the key processes and identify key controls related IndAS 115 "Revenue from Contracts with Customers"</li><li>• On a sample basis we performed testing to verify physical deliveries of product in the year to ascertain transfer of control.</li><li>• We performed revenue cut-off testing, by reference to bill dates of sales recorded either side of the financial year end had legally completed; and</li><li>• Selected a sample of sales contracts and read, analyzed and identified the distinct performance obligations in these contracts.</li></ul> <p>Based on our audit procedures we have concluded that revenue is appropriately recognized, and that there was no evidence of management bias.</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report and Corporate Governance Report but does not include the standalone financial statements and our auditor's report thereon. The Director's Report and Corporate Governance Report is expected to be made available to us after the date of auditor's report.

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 identified above when it becomes available 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.

When we read the Director's Report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charge with governance.

### **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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether

due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

**“Annexure B”.** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested

(either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For BANSILAL SHAH & CO.**

Chartered Accountants  
Firm’s Registration No: 000384W

**ARVIND SHAH**

Partner

Membership No.: 071690  
UDIN : 22071690AJCFXY5032

Place: Udaipur  
Date: May 17, 2022

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Udaipur Cement Works Limited of even date)

- (i). In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii). In respect of its inventories:
- (a) The management has physically verified the inventories. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed and the discrepancies have been properly dealt with in the books of account.
  - (b) The Company is sanctioned working capital limits in excess of ₹ 5 Crore from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (b) to (d) of the order are not applicable to the company and hence not commented upon.
- (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 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v). The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi). We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under Section 148 of the Act, and are of the opinion that prima facie, the prescribed Cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to



determine whether they are accurate or complete.

(vii). According to the information and explanations given to us, in respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no statutory dues referred to in sub-clause (a) above that have not been deposited with appropriate authority on account of any dispute except for the following:

NAME OF THE STATUTE	NATURE OF THE DUES	GROSS AMOUNT	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
Sales Tax Act	Sales Tax	8,14,000	1999-2000	Assistant commissioner (Comm. Tax)
	Sales Tax (Interest)	9,11,000	1996-97 1997-98 1998-99	Assistant commissioner (Comm. Tax)
	Sales Tax	25,04,900	1996-97	Assistant commissioner (Comm. Tax) Circle B, Jammu
Land Tax	Land Tax Act	5,51,79,898	2006-07 to 2012-13	HIGH COURT, JODHPUR
	Land Tax Act	11,39,51,290	2019-20 to 2021-22	HIGH COURT, JODHPUR

(viii). According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of accounts.

(ix). Reporting on repayment and usage borrowing:

- (a). Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues or payment of interest thereon to the financial institutions, banks, governments or debenture holders during the year.

(b) The company has not been declared willful defaulter by any bank or financial institution or government or any other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x). (a). The company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Hence, reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b). According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause (x) (b) of the Order is not applicable to the Company.
- (xi). To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year. The company has not filed Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xii). The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii). In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv). (a) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under Audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv). In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi). The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.
- (xvii). The company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii). There has been no resignation of statutory auditor of the company. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix). On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of

meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx). The company has no unspent amount of CSR required to be transferred to a special designated bank account (related to any ongoing project) and to a fund as specified in Schedule VII to the Companies Act, 2013 within the prescribed time limit. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

Place: Udaipur  
Date: May 17, 2022

**For BANSILAL SHAH & CO.**  
Chartered Accountants  
Firm's Registration No: 000384W

**ARVIND SHAH**  
Partner  
Membership No.: 071690  
UDIN : 22071690AJCFXY5032

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Udaipur Cement Works Limited of even date)

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

We have audited the internal financial controls over financial reporting of **UDAIPUR CEMENT WORKS LIMITED** (“the Company”) as of March 31, 2022 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 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 Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For BANSILAL SHAH & CO.**  
Chartered Accountants  
Firm's Registration No: 000384W

**ARVIND SHAH**  
Partner  
Membership No.: 071690  
UDIN : 22071690AJCFXY5032

Place: Udaipur  
Date: May 17, 2022

# UDAIPUR CEMENT WORKS LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

₹ In Crore (10 Million)

	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	716.37	672.03
(b) Capital Work-in-Progress	2A	130.40	46.25
(c) Investment Property	3	9.15	9.15
(d) Intangible Assets	4	-	0.01
(e) Financial Assets			
(i) Others	5	6.43	8.33
(f) Deferred Tax Assets (Net)	6	41.27	57.34
(g) Other Non-Current Assets	7	90.42	0.13
		<b>994.04</b>	<b>793.24</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	8	89.79	50.71
(b) Financial Assets			
(i) Investments	9	87.19	92.74
(ii) Trade Receivables	10	4.48	0.82
(iii) Cash and Cash Equivalents	11	6.87	2.64
(iv) Bank Balances other than (iii)	12	227.21	10.06
(v) Others	13	2.04	1.92
(c) Other Current Assets	14	15.56	21.81
(d) Current Tax Assets (Net)		1.44	0.85
		<b>434.58</b>	<b>181.55</b>
		<b>1,428.62</b>	<b>974.79</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	124.56	124.56
(b) Other Equity		170.00	122.21
		<b>294.56</b>	<b>246.77</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	534.82	522.98
(ii) Other Financial Liabilities	17	25.63	19.66
(b) Provisions	18	2.46	2.14
(c) Other Non-Current Liabilities	19	0.62	0.40
		<b>563.53</b>	<b>545.18</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	20	406.33	46.79
(ii) Trade Payables	21		
Micro and Small Enterprises		1.97	0.46
Others		65.68	52.86
(iii) Other Financial Liabilities	22	59.86	45.69
(b) Other Current Liabilities	23	36.16	36.57
(c) Provisions	24	0.53	0.47
		<b>570.53</b>	<b>182.84</b>
		<b>1,428.62</b>	<b>974.79</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			

Significant Accounting Policies 1  
The accompanying notes form an integral part of these financial statement. 2-69

As per our report of even date

### For BANSILAL SHAH & COMPANY

Chartered Accountants  
Firm Registration No.: 000384W

### ARVIND SHAH

Partner  
Membership No.: 071690  
Place: Udaipur  
Date: 17<sup>th</sup> May 2022

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

### VINITA SINGHANIA

Chairperson

**SHRIVATS SINGHANIA**  
**ONKAR NATH RAI**  
**SURENDRA MALHOTRA**  
**VINIT MARWAHA**  
**BHASKWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA**

Directors

# UDAIPUR CEMENT WORKS LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

₹ In Crore (10 Million)

	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I. Revenue from Operations	25	875.98	735.10
II. Other Income	26	5.12	2.56
<b>III. Total Income (I + II)</b>		<b>881.10</b>	<b>737.66</b>
<b>IV. Expenses :-</b>			
a) Cost of Materials Consumed	27	122.21	81.00
b) Purchase of Stock in Trade	28	203.22	208.78
c) Change in Inventories of finished goods, work-in-progress and traded goods	29	2.19	12.62
d) Employee Benefits Expense	30	36.33	35.17
e) Power and Fuel	31	224.30	143.64
f) Transport, Clearing & Forwarding Charges	32	56.59	42.27
g) Finance Costs	33	50.26	53.78
h) Depreciation and Amortization Expense	34	35.15	33.43
i) Other Expenses	35	82.44	62.90
<b>Total Expenses (IV)</b>		<b>812.69</b>	<b>673.59</b>
<b>V. Profit before Exceptional Items and Tax (III - IV)</b>		<b>68.41</b>	<b>64.07</b>
VI. Exceptional Items - Gain / (Loss)		(3.60)	(6.93)
<b>VII. Profit before tax (V + VI)</b>		<b>64.81</b>	<b>57.14</b>
<b>VIII. Tax Expense</b>			
(1) Current tax		-	-
(2) Deferred tax		16.15	2.14
<b>IX. Profit for the year (VII - VIII)</b>		<b>48.66</b>	<b>55.00</b>
<b>X. Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
(1) Re-measurement gain / (losses) on defined benefit plans		(0.31)	(0.34)
(2) Income tax effect		0.08	0.08
<b>Total Other Comprehensive Income / (Loss) (X)</b>		<b>(0.23)</b>	<b>(0.26)</b>
<b>XI. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX + X)</b>		<b>48.43</b>	<b>54.74</b>
<b>XII. Earnings per Equity Share (Face Value of ₹ 4 each)</b>	36		
Basic Earnings per Equity Share (₹) :		1.56	1.77
Diluted Earnings per Equity Share (₹) :		1.56	1.77

Significant Accounting Policies

1

The accompanying notes form an integral part of these financial statement.

2-69

As per our report of even date

For and on Behalf of the Board

**For BANSILAL SHAH & COMPANY**

Chartered Accountants  
Firm Registration No.: 000384W

**VINITA SINGHANIA**  
Chairperson

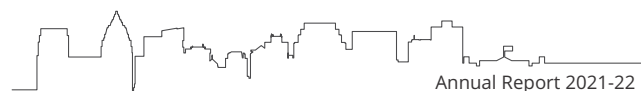
**ARVIND SHAH**

Partner  
Membership No.: 071690  
Place: Udaipur  
Date: 17<sup>th</sup> May 2022

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

**SHRIVATS SINGHANIA**  
**ONKAR NATH RAI**  
**SURENDRA MALHOTRA**  
**VINIT MARWAHA**  
**BHASWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA** } Directors



# UDAIPUR CEMENT WORKS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### A. EQUITY SHARE CAPITAL

₹ In Crore (10 Million)

Particulars	As at 1 <sup>st</sup> April	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	As at 31 <sup>st</sup> March
<b>As at 31<sup>st</sup> March, 2022</b>					
Equity Shares 31,14,09,817 (with equal rights) (Previous Year 31,14,09,817) of ₹ 4 each fully paid up	124.56	-	124.56	-	<b>124.56</b>
	<b>124.56</b>	-	<b>124.56</b>	-	<b>124.56</b>
<b>As at 31<sup>st</sup> March, 2021</b>					
Equity Shares 31,14,09,817 (with equal rights) (Previous Year 31,14,09,817) of ₹ 4 each fully paid up	124.56	-	124.56	-	<b>124.56</b>
	<b>124.56</b>	-	<b>124.56</b>	-	<b>124.56</b>

### B. OTHER EQUITY

₹ In Crore (10 Million)

Particulars	Reserves and Surplus				Items of Other Comprehensive Income, that will not be reclassified to Statement of Profit & Loss	Total
	Equity Component of Financial Guarantee	Equity Component of compound Financial Instruments	Security Premium	Retained Earnings		
					Re-measurement of Net Defined Benefit Plans	
<b>Balance as at 1<sup>st</sup> April 2020</b>	<b>20.33</b>	<b>29.19</b>	<b>38.52</b>	<b>(27.82)</b>	<b>(1.23)</b>	<b>58.99</b>
Profit for the Year	-	-	-	55.00	-	55.00
Changes in Corporate Guarantee given by Holding Co. for Inter Corporate Loan & Term Loan	11.37	-	-	-	-	11.37
Changes in Equity component of Preference Shares	-	(2.89)	-	-	-	(2.89)
Other Comprehensive Income / (Loss)	-	-	-	-	(0.26)	(0.26)
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>31.70</b>	<b>26.30</b>	<b>38.52</b>	<b>27.18</b>	<b>(1.49)</b>	<b>122.21</b>
Profit for the Year	-	-	-	48.66	-	48.66
Changes in Corporate Guarantee given by Holding Co. for Inter Corporate Loan & Term Loan	2.99	-	-	-	-	2.99
Changes in Equity component of Preference Shares	-	(3.63)	-	-	-	(3.63)
Other Comprehensive Income / (Loss)	-	-	-	-	(0.23)	(0.23)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>34.69</b>	<b>22.67</b>	<b>38.52</b>	<b>75.84</b>	<b>(1.72)</b>	<b>170.00</b>

As per our report of even date

#### For BANSILAL SHAH & COMPANY

Chartered Accountants  
Firm Registration No.: 000384W

#### ARVIND SHAH

Partner  
Membership No.: 071690  
Place: Udaipur  
Date: 17<sup>th</sup> May 2022

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

#### VINITA SINGHANIA

Chairperson

**SHRIVATS SINGHANIA**  
**ONKAR NATH RAI**  
**SURENDRA MALHOTRA**  
**VINIT MARWAHA**  
**BHAWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA**

Directors



## Company Overview, Basis of Preparation & Significant Accounting Policies.

### NOTE 1

#### I. Corporate & General Information

Udaipur Cement Works Limited (“the Company”) is domiciled and incorporated in India and its Shares are publicly traded on the Bombay Stock Exchange Ltd. (BSE). The Registered Office of the Company is situated at Shripati Nagar, P.O.: CFA, Dist.: Udaipur – 313 022 (Rajasthan)

The Company is a manufacturer and supplier of Cement and Cementitious products with manufacturing facilities in the State of Rajasthan. The Company’s Technical Service Cell provides construction solutions to its customers & carries out regular & innovative contact programmes with Individual House Builders, Masons and other Business Associates to keep in tune with their needs and requirements

These Financial Statements were approved and adopted by the Board of Directors of the Company in their meeting held on 17<sup>th</sup> May 2022.

#### II. Basis of Preparation of Financial Statements

##### (i) Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time and relevant provisions of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The Financial Statements comply with IND AS notified by Ministry of Company Affairs (“MCA”). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

##### (ii) Basis of Preparation

The significant accounting policies used in preparing the Financial Statements are set out in Note no. III of the Notes to the Financial Statements. Company’s Financial Statements are presented in Indian Rupees (₹), which is also its functional currency.

##### (iii) Basis of Measurement

The Financial Statements have been prepared on accrual basis and under the historical cost convention except for the items that have been measured at fair value as required by relevant IND AS.

##### (iv) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fair Value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A Fair Value measurement of a non-financial asset takes in to account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of Fair Value disclosures, the Company has determined classes of Assets and Liabilities on the basis of the nature, characteristics and risks of the Asset or Liability and the level of the Fair Value hierarchy in which they fall.

**(v) Current & Non-Current Classifications**

All Assets and Liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-Current classification of Assets and Liabilities. Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

**(vi) Significant Accounting Judgements, Estimates and Assumptions**

The preparation of these Financial Statements requires management judgements, estimates and assumptions that affect the application of Accounting Policies, the Accounting disclosures made and the reports amounts of Assets, Liabilities, Income and Expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to Accounting estimates are recognised in the period in which the estimates are revised and any future periods effected pursuant to such revision.

**III. Significant Accounting Policies**

**(1) Property, Plant and Equipment**

The Company adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value as at 1<sup>st</sup> April 2015. Consequently, the fair value was assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, the Property, Plant and Equipment are carried at cost net of tax/duty credit availed, less accumulated depreciation and accumulated losses, if any. Cost includes expenses directly attributable to bringing the Asset to their location and conditions necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that is future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of erection/ construction is transferred to the appropriate category of property, plant and equipment cost (net of income and including pre-operative cost / expenses) associated with the commissioning of an asset are capitalized until the period of commissioning has been completed and the asset is ready of its intended use.

Property, Plant and Equipment are eliminated from Financial Statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

***Depreciation methods, estimated useful lives and residual value.***

Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives as specified in Schedule II to Companies Act, 2013, except for Captive Power Plant, Furniture & Fixtures, Office Equipment, Vehicles and Locomotives which is provided on Written Down Value Method (WDV) as per the said schedule.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit or Loss within other gains / (losses).

Depreciation on impaired assets is provided on the basis of their residual useful life.

## **(2) Investment Properties**

Property that is held for long-term rentals yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. The Company adopted optional exception under IND AS 101 to measure Investment Property at fair value as at 1<sup>st</sup> April, 2015. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the Straight Line Method (SLM) over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management's expert.

The Residual Life, useful lives and depreciation method of investment properties are reviewed, and adjusted on Prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

## **(3) Intangible Assets**

Intangibles Assets are recognized if the future economic benefits attributable to the Assets are expected to flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized developments costs, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of Intangibles Assets are assessed as either finite or indefinite. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed atleast at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible Asset with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired.

### **Intangible Assets are amortized as follows:**

- Computer Software: Over a period of five years

Intangibles Assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

Gain or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **(4) Research and Development Cost**

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, plant and equipment.

However, Development expenditure on new product is capitalized as intangible asset.

#### **(5) Inventories**

Inventories are carried in the balance sheet as follows :

- |   |   |
|---|---|
| a) Raw Materials, Packing Materials, construction Materials, Stores & spares. | : At cost, on weighted average basis.   |
| b) Work-in Progress - Manufacturing   | : At Lower of Cost of Material, plus appropriate Production Overheads and Net Realizable Value. |
| c) Finished goods – Manufacturing   | : At Lower of Cost of Material, plus appropriate Production Overheads and Net Realizable Value. |
| d) Finished goods – Trading   | : At Lower of Cost, on Weighted Average Basis and Net Realizable Value.                         |

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net Realisable Value is the estimated Selling Price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **(6) Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash on hand, deposits held at call with Banks / Financial Institutions, other short-term, highly liquid investments which are subject to an insignificant risk of changes in value.

#### **(7) Impairment of Assets**

The carrying amounts of Property, Plant & Equipment, Intangible Assets and Investment Properties are reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An impairment loss is recognised, as an expense in the Statement of Profit & Loss, wherever the carrying amount of the Asset or Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount in subsequent years. Recoverable amount is determined :-

- In the case of an Individual Asset, at the higher of the Fair Value less cost to sell and the value in use; and

- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, and appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

## **8) Foreign Currency Translations & Transitions**

### **(i) Functional and Presentation Currency**

The Company's financial statements are presented in INR, which is also the Company's Functional and Presentation Currency.

### **(ii) Transaction and Balance**

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary Assets and liabilities related to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is recognised to Statement of Profit & Loss.

## **(9) Financial Instruments.**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **1. Financial Assets**

#### **1.1 Definition**

Financial Assets include Cash and Cash Equivalents, Trade and Other Receivables, Investments in Securities and other eligible Current and Non-Current Assets.

At initial recognition, all financial assets are measured at fair value. The classification is reviewed at the end of each reporting period.

#### **(i) Financial Assets at Amortised Cost**

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the statement of profit or loss. The losses arising from impairment are recognized in the Statement of Profit or Loss.

#### **(ii) Financial Assets at Fair value through Other Comprehensive Income**

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are

subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

### **(iii) Financial Assets at Fair value through Profit or Loss (FVTPL)**

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

## **1.2 Trade Receivables**

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

## **1.3 Investment in Equity Shares**

Investment in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through Statement of Profit and Loss if such investments in Equity Securities are held for trading purposes. The fair value gains or losses of all other Equity Securities are recognized in Other Comprehensive Income.

## **1.4 Derecognition of Financial Assets**

A Financial Asset is primarily derecognized when:

- The right to receive cash flows from asset has expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:
  - a) The Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## **2. Financial Liabilities**

### **2.1 Definition**

Financial Liabilities include Long-term and Short-term Loans and Borrowings, Trade and Other payables and Other eligible Current and Non-Current Liabilities.

#### **(a) Initial Recognition and Measurement**

All Financial Liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### **(b) Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **i) Financial Liabilities at Fair Value through Profit or Loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

##### **ii) Financial Liabilities measured at Amortized Cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortized cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

### **2.2 Loans and Borrowings**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

### **2.3 Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

### **2.4 Trade and Other Payables**

A payable is classified as trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### **2.5 De-recognition of Financial Liability**

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

## **3. Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## **4. Derivative Financial Instruments**

The Company uses derivative financial instruments, such as forward contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

## **5. Compound Financial Instruments.**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair



value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry

## **(10) Grants**

Grants from the Government are recognised when there is reasonable assurance that all underlying conditions will be complied with and that the grant will be received.

When loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. That grant is recognised in the Statement of Profit and Loss under 'other operating income or finance cost'. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by recording the grant as deferred income which is released to the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

Grants related to income are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and are presented as 'other operating revenues'.

## **(11) Equity Share Capital**

Ordinary Shares are classified as Equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from Retained Earnings, net of taxes.

## **(12) Provisions, Contingent liabilities, Contingent Assets and Commitments**

### **i) General**

Provisions are recognized 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 of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## **Contingent Liability**

### **Contingent Liability is disclosed in the case of:**

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of Purchase Order (net of Advances) issued to parties for Completion of Assets.

Provisions, Contingent Liabilities, Contingent Assets and commitments are reviewed at each Balance Sheet date.

### **ii) Other Litigation Claims**

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

### **iii) Onerous Contracts**

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the Assets with the contract.

### **iv) Contingent Asset**

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefit is probable.

## **(13) Revenue Recognition**

Revenue is measured at the Fair Value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### **i) Sale of Goods**

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

Taxes collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably

**ii) Non-Cash Incentives**

The Company provides Non-Cash Incentives at Fair Value to customers. These benefits are passed on to customers on satisfaction of various conditions of various sales schemes. Consideration received is allocated between the products sold and non-cash incentives to be issued to customers. Fair value of non-cash incentive is determined by applying principle of Ind AS 113 i.e. market rate. A contract liability for the non-cash incentive is recognized at the time of sale.

**iii) Power Distribution**

Revenue from Power Distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued up to the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission.

**iv) Dividend Income**

The Company recognizes a Liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders, except in case of interim dividend which is authorized by the Board of Directors.

**v) Lease Incentives**

Lease Agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Leases rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

**vi) Interest Income**

For all Financial Instruments measured at amortized cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the Financial Instrument or a shorter period, where appropriate, to the net carrying amount of the Financial Asset. Interest income is included in other income in Statement of Profit and Loss.

**vii) Renewable Energy Certificate**

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on Sale of REC. Income from Sale of RECs is recognized on the delivery to the Customers' Account.

**viii) Export Benefit**

Export incentives, Duty Drawbacks and other benefits are recognized in the Statement of Profit and Loss on Accrual Basis.

**(14) Employees Benefits**

**i) Defined Contribution Plans**

Contributions to the employees' regional Provident Fund, Superannuation Fund, Employees Pension Scheme and Employees' State Insurance are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services.

## **ii) Defined Benefit Plans**

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognized in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Company makes contribution towards provident fund which is administered by Employees' Provident Fund Organisation, Government of India .

## **iii) Short-term Employee Benefits**

Short Term Benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

## **iv) Long-Term Employee Benefit**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. Annual Leaves can either be availed or encashed subject to restriction on the maximum accumulation of Leaves.

## **v) Termination Benefits**

Termination Benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

## **(15) Borrowing Costs**

- (1) Borrowing Costs that are specifically attributable to the acquisition, construction, or production of a Qualifying Asset are capitalized as a part of the cost of such Asset till such time the asset is ready for its intended use or sale. A Qualifying Asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

The Borrowing Cost consists of Interest & Other Incidental costs that the Company incurs in connection with the borrowing of such Funds.

- (2) For general borrowing used for the purpose of obtaining a Qualifying Asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.
- (3) All other borrowing costs are recognized as expense in the period in which they are incurred.

## **(16) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **Company as a Lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **i) Right-Of-Use Assets**

The Company recognises Right-Of-Use Assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use Assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right-of-use Assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use Assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the Assets.

If ownership of the Leased Asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the Asset.

#### **ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises Lease Liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its existing borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

### iii) **Short-Term Leases and Leases of Low Value Assets**

The Company has elected not to recognise Right-of-Use Assets and Lease Liabilities for short term leases of all assets 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 expense on a straight-line basis over the lease.

#### **Company as a Lessor**

Lease income from Operating Leases where the Company is a Lessor is recognized in income on straight-line basis over the lease term unless the recipients are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective Leased Assets are included in the Balance Sheet based on their nature.

## **(17) Taxes on Income**

### **a) Current Tax**

- i) Tax on Income for the Current Period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- ii) Current Income Tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **b) Deferred Tax**

Deferred Tax is provided using the Balance Sheet Approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilized. Unrecognized Deferred Tax Assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred Tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss.

Deferred Tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

The break-up of the major components of the Deferred Tax Assets and Liabilities as at Balance Sheet date has been arrived at after setting off Deferred Tax Assets and Liabilities where the Company have a

legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

#### **(18) Exceptional Items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

#### **(19) Earnings Per Share (EPS)**

##### **i) Basic Earnings Per Share**

Basic Earnings Per Share is calculated by dividing

- The Profit or Loss attributable to Equity Shareholders of the Company by the Weighted Average number of Equity Shares outstanding during the Financial Year, adjusted for bonus elements in Equity Shares issued during the Year.

##### **ii) Diluted Earnings Per Share**

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account

- The after Income Tax Effect of interest and other financing costs associated with dilutive potential Equity Shares, and the Weighted Average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

#### **(20) Segment Accounting**

The Company is engaged primarily into manufacturing of Cement. The Company has only one business segment as identified by management namely Cementitious Materials.

Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Chairperson (Chief Operating Decision Maker).

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on each segments profit or loss and is measured consistently with profit or loss in the financial statements.

#### **(21) Cash Dividend**

The Company recognises a Liability to pay dividend to Equity Holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when its approved by the shareholders. A corresponding amount is recognized directly in Other Equity. Interim Dividends are recognised as a Liability on the date of declaration by the Company's Board of Directors.

## **(22) Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

### **IND AS 103 – Reference to Conceptual Framework**

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

### **IND AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### **IND AS 37 – Provisions, contingent liabilities and contingent assets**

The amendment specifies that the cost fulfilling a contract comprises the cost that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021. The notification has made amendments to various Ind AS. The Group does not expect the amendments to have any significant impact in its financial statements.



**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**NOTE 2**  
**PROPERTY, PLANT AND EQUIPMENT**

₹ In Crore (10 Million)

	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixture	Office Equipments	Vehicles	Railway Siding	Total
<b>GROSS BLOCK :</b>									
<b>As at 1<sup>st</sup> April 2020</b>	4.03	103.32	27.36	743.50	1.01	0.80	1.86	4.27	<b>886.15</b>
Additions / Adjustments	6.38	-	0.28	0.33	0.03	0.03	0.67	-	<b>7.72</b>
Disposals / Adjustments	-	-	-	-	-	-	(0.14)	-	<b>(0.14)</b>
<b>As at 31<sup>st</sup> March 2021</b>	<b>10.41</b>	<b>103.32</b>	<b>27.64</b>	<b>743.83</b>	<b>1.04</b>	<b>0.83</b>	<b>2.39</b>	<b>4.27</b>	<b>893.73</b>
Additions / Adjustments	0.22	-	0.22	75.55	0.05	0.13	1.05	2.74	<b>79.96</b>
Disposals / Adjustments	-	-	-	-	-	-	(0.67)	-	<b>(0.67)</b>
<b>As at 31<sup>st</sup> March 2022</b>	<b>10.63</b>	<b>103.32</b>	<b>27.86</b>	<b>819.38</b>	<b>1.09</b>	<b>0.96</b>	<b>2.77</b>	<b>7.01</b>	<b>973.02</b>
<b>ACCUMULATED DEPRECIATION :</b>									
<b>As at 1<sup>st</sup> April 2020</b>	-	10.38	15.13	159.98	0.84	0.66	0.85	0.54	<b>188.38</b>
Charged for the year	-	1.94	1.69	28.94	0.05	0.05	0.45	0.27	<b>33.39</b>
On Disposal	-	-	-	-	-	-	(0.07)	-	<b>(0.07)</b>
<b>As at 31<sup>st</sup> March 2021</b>	-	<b>12.32</b>	<b>16.82</b>	<b>188.92</b>	<b>0.89</b>	<b>0.71</b>	<b>1.23</b>	<b>0.81</b>	<b>221.70</b>
Charged for the year	-	1.94	1.69	30.71	0.04	0.06	0.43	0.27	<b>35.14</b>
On Disposal	-	-	-	-	-	-	(0.19)	-	<b>(0.19)</b>
<b>As at 31<sup>st</sup> March 2022</b>	-	<b>14.26</b>	<b>18.51</b>	<b>219.63</b>	<b>0.93</b>	<b>0.77</b>	<b>1.47</b>	<b>1.08</b>	<b>256.65</b>
<b>NET CARRYING AMOUNT :</b>									
<b>As at 31<sup>st</sup> March 2021</b>	10.41	91.00	10.82	554.91	0.15	0.12	1.16	3.46	<b>672.03</b>
<b>As at 31<sup>st</sup> March 2022</b>	<b>10.63</b>	<b>89.06</b>	<b>9.35</b>	<b>599.75</b>	<b>0.16</b>	<b>0.19</b>	<b>1.30</b>	<b>5.93</b>	<b>716.37</b>

**NOTE 2A**  
**CAPITAL WORK IN PROGRESS (CWIP)**

₹ In Crore (10 Million)

<b>Movement of Capital Work in Progress</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Opening	<b>46.25</b>	6.03
Additions during the year	<b>162.88</b>	40.40
Capitalised during the year	<b>(78.73)</b>	(0.18)
<b>Closing</b>	<b>130.40</b>	<b>46.25</b>

**Capital Work in Progress Ageing Schedule**

₹ In Crore (10 Million)

<b>CWIP</b>	<b>Amount in CWIP as at 31<sup>st</sup> March 2022</b>					<b>Amount in CWIP as at 31<sup>st</sup> March 2021</b>				
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Projects In Progress	129.47	0.93	-	-	130.40	40.60	5.65	-	-	46.25
Projects Temporarily Suspended	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>129.47</b>	<b>0.93</b>	<b>-</b>	<b>-</b>	<b>130.40</b>	<b>40.60</b>	<b>5.65</b>	<b>-</b>	<b>-</b>	<b>46.25</b>

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**NOTE 3**  
**INVESTMENT PROPERTY**

₹ In Crore (10 Million)

	Freehold Land	Total
<b>GROSS BLOCK :</b>		
<b>As at 1<sup>st</sup> April 2020</b>	9.15	<b>9.15</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>9.15</b>	<b>9.15</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>9.15</b>	<b>9.15</b>
<b>ACCUMULATED DEPRECIATION :</b>		
<b>As at 1<sup>st</sup> April 2020</b>	-	-
Charged for the year	-	-
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2021</b>	-	-
Charged for the year	-	-
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2022</b>	-	-
<b>NET CARRYING AMOUNT :</b>		
<b>As at 31<sup>st</sup> March 2021</b>	9.15	<b>9.15</b>
<b>As at 31<sup>st</sup> March 2022</b>	<b>9.15</b>	<b>9.15</b>

**NOTE 4**  
**INTANGIBLE ASSETS**

₹ In Crore (10 Million)

Particulars	Software	Total
<b>GROSS BLOCK :</b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>0.46</b>	<b>0.46</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.46</b>	<b>0.46</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.46</b>	<b>0.46</b>
<b>ACCUMULATED DEPRECIATION :</b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>0.41</b>	<b>0.41</b>
Charged for the year	0.04	<b>0.04</b>
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.45</b>	<b>0.45</b>
Charged for the year	0.01	<b>0.01</b>
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.46</b>	<b>0.46</b>
<b>NET CARRYING AMOUNT :</b>		
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.01</b>	<b>0.01</b>
<b>As at 31<sup>st</sup> March 2022</b>	-	-

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>FINANCIAL ASSETS</b>		
<b>NOTE 5</b>		
<b>OTHER NON-CURRENT FINANCIAL ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Security Deposits	6.42	8.32
Bank Deposits with original maturity of more than 12 months*	0.01	0.01
	<b>6.43</b>	<b>8.33</b>
*Under lien		
<b>NOTE 6</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation and Brought Forward Business Losses	107.47	119.34
Expenses / Provisions allowable	3.87	2.79
<b>Less : Deferred Tax Liability</b>		
Related to Property, Plant and Equipments	70.07	64.79
	<b>41.27</b>	<b>57.34</b>
<b>NOTE 7</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	90.42	0.13
	<b>90.42</b>	<b>0.13</b>
<b>NOTE 8</b>		
<b>INVENTORIES</b> (at lower of cost or net realisable value)		
Raw Materials {Including in transit - ₹ 0.02 Crs. (Previous Year - ₹ 0.02 Crs.)}	3.92	1.48
Work-in-Progress	8.94	9.20
Finished Goods	1.50	3.23
Stock-in-Trade {Including in transit - Nil (Previous Year - ₹ 0.18 Crs.)}	0.44	0.64
Stores & Spares {Including in transit of ₹ 8.27 Crs. (Previous Year - ₹ 9.23 Crs.)}	72.64	34.23
Packing Materials	2.35	1.93
	<b>89.79</b>	<b>50.71</b>

# Udaipur Cement Works Limited

## Notes to the financial statement for the year ended March 31, 2022

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>FINANCIAL ASSETS</b>		
<b>NOTE 9</b>		
<b>CURRENT INVESTMENT</b>		
<b>Investment at Fair Value through Profit &amp; Loss</b>		
Investments in quoted mutual funds	87.19	92.74
	<u>87.19</u>	<u>92.74</u>
Aggregate Book Value of quoted investments	87.19	92.74
Aggregate Market Value of quoted investments	87.19	92.74
Aggregate Book Value of unquoted Investments	-	-
<b>NOTE 10</b>		
<b>TRADE RECEIVABLES @</b>		
Considered good - Secured	0.24	0.11
Considered good - Unsecured	4.24	0.71
Which have significant increase in Credit risk	-	-
Credit Impaired	-	-
	<u>4.48</u>	<u>0.82</u>
<p>@ Contract Assets as per IND AS 115</p> <p>No Trade or Other Receivable are due from Directors or other Officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0-90 days</p>		
<b>NOTE 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
On Current Accounts	6.86	2.62
Cash on hand	0.01	0.02
	<u>6.87</u>	<u>2.64</u>
<b>NOTE 12</b>		
<b>OTHER BANK BALANCES</b>		
Deposits with original maturity for more than 3 months but less than 12 months*	227.21	10.06
	<u>227.21</u>	<u>10.06</u>
<p>*Includes ₹ 0.01 Crs. (Previous Year - ₹ 0.01 Crs.) against lien</p>		
<b>NOTE 13</b>		
<b>OTHER CURRENT FINANCIAL ASSETS</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Other Receivables	2.04	1.92
	<u>2.04</u>	<u>1.92</u>
<b>NOTE 14</b>		
<b>OTHER CURRENT ASSETS</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Prepaid expenses	1.50	1.39
Balance with Govt. Authorities	2.46	0.24
Other Claims Receivable	-	11.47
Other Advances	11.60	8.71
	<u>15.56</u>	<u>21.81</u>

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>NOTE 15</b>		
<b>EQUITY SHARE CAPITAL</b>		
<b>Authorized :</b>		
Equity Shares - 71,00,00,000 (Previous year - 33,50,00,000) of ₹ 4 each	<b>284.00</b>	284.00
Preference Shares - 6,600 (Previous year - 6,600) of ₹ 1,00,000 each	<b>66.00</b>	66.00
- 50,00,000 (Previous year - 50,00,000) of ₹ 100 each	<b>50.00</b>	50.00
	<b>400.00</b>	<b>400.00</b>
<b>Issued, Subscribed and Paid up :</b>		
<b>Equity Shares (with equal rights)</b>		
31,14,09,817 (Previous year - 31,14,09,817) of ₹ 4 each fully paid up	<b>124.56</b>	124.56
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
4,700 (Previous year - 4,700) of ₹ 1,00,000 each fully paid up (Series-I)	<b>47.00</b>	47.00
1,300 (Previous year - 1,300) of ₹ 1,00,000 each fully paid up (Series-II)	<b>13.00</b>	13.00
600 (Previous year - 600) of ₹ 1,00,000 each fully paid up (Series-B)	<b>6.00</b>	6.00
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>		
5,00,000 (Previous year - 5,00,000) of ₹ 100 each fully paid up	<b>5.00</b>	5.00
	<b>195.56</b>	<b>195.56</b>
<b>Less: Reclassification of Preference Shares</b>		
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
4,700 (Previous year - 4,700) of ₹ 1,00,000 each fully paid up (Series-I)	<b>(47.00)</b>	(47.00)
1,300 (Previous year - 1,300) of ₹ 1,00,000 each fully paid up (Series-II)	<b>(13.00)</b>	(13.00)
600 (Previous year - 600) of ₹ 1,00,000 each fully paid up (Series-B)	<b>(6.00)</b>	(6.00)
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>		
5,00,000 (Previous year - 5,00,000) of ₹ 100 each fully paid up	<b>(5.00)</b>	(5.00)
	<b>124.56</b>	<b>124.56</b>

**a. Reconciliation of the number of Shares Outstanding:**

Particulars	Opening Balance	Changes in share capital during the year	Shares Outstanding at the end of the year
Equity Shares	31,14,09,817	-	<b>31,14,09,817</b>
5% CRPS (Series-I)	4,700	-	<b>4,700</b>
5% CRPS (Series-II)	1,300	-	<b>1,300</b>
5% CRPS (Series-B)	600	-	<b>600</b>
6% OCCRPS	5,00,000	-	<b>5,00,000</b>

**b. List of Shareholders holding more than 5% shares:**

Name of Shareholder	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
<b>Equity Shares</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>22,58,92,781</b>	<b>72.54%</b>	22,58,92,781	72.54%
<b>5% Cumulative Redeemable Preference Shares</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>6,600</b>	<b>100%</b>	6,600	100%
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>5,00,000</b>	<b>100%</b>	5,00,000	100%

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### c. Terms / right attached to Equity Shareholders:

1. The Company has only one class of Equity Shares having a par value of ₹ 4 per share. Each holder of Equity Shares is entitled to one vote per share.
2. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

- d. 5% Cumulative Redeemable Preference Shares (CRPS) (Series I & II) carries a Put Option. In the event of the Company being unable to pay dividend for a consecutive period of 3 years after it is out of the purview of BIFR and unable to pay the Capital back, CRPS (Series I & II) holders have the right to get them converted into Equity Shares subject to statutory approvals.

5% CRPS (Series I & II) also carries a Call Option. In case there being any Liquidity Event of the Company, if it fails to redeem the CRPS at par within 3 months, CRPS (Series I & II) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

If the Put / Call option is not exercised, 5% CRPS (Series I & II) are redeemable in 3 annual installments of 30%, 30% & 40% of face value at the end of 18<sup>th</sup>, 19<sup>th</sup> & 20<sup>th</sup> year from the date of allotment.

- e. 5% CRPS (Series B) carries a Put Option. In the event of the Company being unable to pay dividend for a consecutive period of 3 years commencing from the Financial Year Apr-Mar'18 and unable to pay the Capital back, CRPS (Series B) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

5% CRPS (Series B) also carries a Call Option. In case there being any Liquidity Event in the Company, if it fails to redeem the CRPS (Series B) at par within 3 months, CRPS (Series B) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

If the Put / Call Option is not exercised, 5% CRPS (Series B) are redeemable in 3 annual installments of 30%, 30% & 40% of face value at the end of 18<sup>th</sup>, 19<sup>th</sup> & 20<sup>th</sup> year from the date of allotment.

- f. 5 Lakh, 6% OCCRPS of Face Value of ₹ 100 per share aggregating to ₹ 5 Crs. are Redeemable Preference Shares to be redeemed in three equal installments at the end of 18<sup>th</sup> Year, 19<sup>th</sup> Year & 20<sup>th</sup> Year from the date of allotment of 10<sup>th</sup> August 2017.

#### g. Nature of Reserves :-

Security Premium :- Represents the amount received in excess of Par value of Securities.

- h. During the last five years, the Company has not issued any Bonus shares nor are there any shares bought back and issued for consideration other than cash.

#### i. Shareholding of Promoters for each class of Shares :

Shares held by promoters at the end of the year				% Change during the Year
S.N.	Promoter Name	No. of Shares	% of Total Shares	
	<b>JK Lakshmi Cement Ltd. (Holding Company)</b>			
1	Equity Shares	22,58,92,781	72.54%	-
2	5% CRPS (Series-I)	4,700	100%	-
3	5% CRPS (Series-II)	1,300	100%	-
4	5% CRPS (Series-B)	600	100%	-
5	6% OCCRPS	5,00,000	100%	-

# Udaipur Cement Works Limited

## Notes to the financial statement for the year ended March 31, 2022

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Non Current	Current*	Non Current	Current*
<b>NOTE 16</b>				
<b>NON-CURRENT BORROWINGS</b>				
<b>SECURED LOANS</b>				
<b>Bonds / Debentures :-</b>				
- Redeemable Non-Convertible Debentures	-	350.00	-	-
<b>Term Loans :-</b>				
- From Banks	495.97	52.75	485.24	36.91
- From Related Party (Inter Corporate Loan)	-	-	-	10.00
	<b>495.97</b>	<b>402.75</b>	<b>485.24</b>	<b>46.91</b>
<b>UNSECURED LOANS</b>				
- From Related Party	-	10.00	10.00	-
<b>Add: Liability Component of Compound Financial Instruments</b>				
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>				
- 4,700 Shares of ₹ 1,00,000 each fully paid up (Series-I)	47.86	-	42.83	-
- 1,300 Shares of ₹ 1,00,000 each fully paid up (Series-II)	12.92	-	11.56	-
- 600 Shares of ₹ 1,00,000 each fully paid up (Series-B)	5.04	-	4.51	-
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>	<b>6.39</b>	-	<b>6.09</b>	-
<b>Less: Amortization of Processing Charges on Loan and Corporate Guarantee for Loan</b>				
- Processing Charges on Loan	(5.09)	-	(5.67)	-
- Corporate Guarantee for Loan	(28.27)	(6.42)	(31.58)	(0.12)
	<b>38.85</b>	<b>3.58</b>	<b>37.74</b>	<b>(0.12)</b>
Less: Current Maturities of Long-Term Debt shown under Note No. 20	-	406.33	-	46.79
	<b>534.82</b>	-	<b>522.98</b>	-

\* Due & payable within one year

- 5.90% Guaranteed Rated Secured Unlisted Redeemable Privately Placed Non Convertible Debentures of ₹ 350 Crore are redeemable at the end of 1 Year from the date of allotment i.e. 16<sup>th</sup> March 2023  
The NCDs are to be secured by a Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan.  
The said NCDs are also secured by a Corporate Guarantee of the Holding Company.
- Term Loans aggregating to ₹ 506.27 Crore from Banks are secured by a (i) Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company  
The said Term Loans are also secured by a Corporate Guarantee of the Holding Company.
  - Term Loan of ₹ 38.25 Crore shall be repayable in 26 unequal Quarterly Instalments
  - Term Loan of ₹ 38.92 Crore shall be repayable in 28 unequal Quarterly Instalments
  - Term Loan of ₹ 78.50 Crore shall be repayable in 26 unequal Quarterly Instalments
  - Term Loan of ₹ 90.00 Crore shall be repayable in 28 unequal Quarterly Instalments
  - Term Loan of ₹ 223.10 Crore shall be repayable in 32 unequal Quarterly Instalments
  - Term Loan of ₹ 37.50 Crore shall be repayable in 28 equal Quarterly Instalments
- The Unsecured Loan from the Holding Company shall be repayable at the end of 5<sup>th</sup> year i.e. on 31.03.2023.
- Term Loans of ₹ 42.45 Crore from Banks under Emergency Credit Line Guarantee Scheme (ECLGS) are secured by a (i) Pari Passu Second Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company  
The said Term Loans under ECLGS are also secured by 100% Credit Guarantee by National Credit Trustee Company.
  - Term Loan of ₹ 23.90 Crore shall be repayable in 48 unequal Monthly Instalments commencing from 27<sup>th</sup> June 2022
  - Term Loan of ₹ 18.55 Crore shall be repayable in 48 unequal Monthly Instalments commencing from 28<sup>th</sup> June 2022

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>NOTE 17</b>		
<b>OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		
Trade and other Deposits	25.63	19.66
	<u>25.63</u>	<u>19.66</u>
<b>NOTE 18</b>		
<b>NON-CURRENT PROVISIONS</b>		
Provision for Employees' Benefits	2.46	2.14
	<u>2.46</u>	<u>2.14</u>
<b>NOTE 19</b>		
<b>OTHER NON-CURRENT LIABILITIES</b>		
Liability for Employees Subsidized Car Scheme	0.62	0.40
	<u>0.62</u>	<u>0.40</u>
<b>NOTE 20</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>Secured Loan</b>		
Working Capital Borrowings from Banks	-	-
Current Maturities of Long-Term Debt (Refer Note No. 16)	406.33	46.79
	<u>406.33</u>	<u>46.79</u>
<p>Working capital facilities are secured by way of First Pari Passu Charge on the entire Current Assets of the Company and Second Pari Passu Charge on the Movable &amp; Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan, both Present and future. The Working Capital facilities are also secured by Corporate Guarantee of Holding Company</p>		
<b>NOTE 21</b>		
<b>TRADE PAYABLES</b>		
Micro and Small Enterprise	1.97	0.46
Others	65.68	52.86
	<u>67.65</u>	<u>53.32</u>



**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>NOTE 22</b>		
<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		
Interest accrued but not due on borrowings	2.67	0.80
Capital Creditors	7.03	5.45
Other Liabilities	50.12	39.44
Marked to Market Loss	0.04	-
	59.86	45.69

**NOTE 23**

**OTHER CURRENT LIABILITIES**

Advance from Customers @	9.00	7.49
Government and other dues	27.16	26.79
Other Advances	-	2.29
	36.16	36.57

@ Contract Liabilities as per IND AS 115

**NOTE 24**

**CURRENT PROVISIONS**

Provision for Employees' Benefits	0.53	0.47
	0.53	0.47

₹ In Crore (10 Million)

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>NOTE 25</b>		
<b>REVENUE FROM OPERATIONS @</b>		
Sale of Products		
Cement	749.02	612.93
Others	126.96	113.23
Other Operating Revenues	-	8.94
	875.98	735.10

@ Revenue from contracts with customers disaggregated based on nature of product as per IND AS 115.

**NOTE 26**

**OTHER INCOME**

Interest Income	0.80	0.80
Profit on sale of Current Investments *	3.87	1.35
Other Non-Operating Income	0.45	0.41
	5.12	2.56

\* Inclusive of fair value gain / (loss) of ₹ (0.39) Crs.  
(Previous Year gain - ₹ 0.30 Crs.)

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

₹ In Crore (10 Million)

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>NOTE 27</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Raw Materials consumed	122.21	81.00
	<u>122.21</u>	<u>81.00</u>
<b>NOTE 28</b>		
<b>PURCHASE OF STOCK-IN-TRADE</b>		
Purchase of Traded Goods	203.22	208.78
	<u>203.22</u>	<u>208.78</u>
<b>NOTE 29</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stocks</b>		
Work in Progress	9.20	18.76
Finished Goods	3.23	3.74
Stock-in-Trade	0.64	3.19
	<u>13.07</u>	<u>25.69</u>
<b>Closing Stocks</b>		
Work in Progress	8.94	9.20
Finished Goods	1.50	3.23
Stock-in-Trade	0.44	0.64
	<u>10.88</u>	<u>13.07</u>
	<u>2.19</u>	<u>12.62</u>
<b>NOTE 30</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	30.02	29.26
Contribution to Provident and Other Funds	2.34	2.18
Staff Welfare Expenses	3.97	3.73
	<u>36.33</u>	<u>35.17</u>
<b>NOTE 31</b>		
<b>POWER AND FUEL</b>		
Power and Fuel	224.30	143.64
	<u>224.30</u>	<u>143.64</u>
<b>NOTE 32</b>		
<b>TRANSPORT, CLEARING &amp; FORWARDING CHARGES</b>		
Transport, Clearing & Forwarding charges	56.59	42.27
	<u>56.59</u>	<u>42.27</u>

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

₹ In Crore (10 Million)

	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>NOTE 33</b>		
<b>FINANCE COST</b>		
Interest Expenses	49.89	51.87
Other Borrowing Costs	0.37	1.91
	<u>50.26</u>	<u>53.78</u>
<b>NOTE 34</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Property, Plant & Equipment	35.14	33.39
Amortization on Intangible Assets	0.01	0.04
	<u>35.15</u>	<u>33.43</u>
<b>NOTE 35</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spares	14.32	16.35
Consumption of Packing Material	26.34	16.01
Rent (Net of realization ₹ 0.10 Crs., Previous Year ₹ 0.11 Crs.)	1.86	1.71
Repairs to Buildings	0.64	0.69
Repairs to Machinery	12.21	7.07
Insurance	1.00	0.72
Rates and Taxes	3.89	4.74
Commission on Sales	4.71	2.69
Director's Fee & Commission	0.15	0.09
Advertisement & Sales Promotion	10.20	9.23
Travelling, Consultancy & Misc. Expenses, etc.	7.12	3.60
	<u>82.44</u>	<u>62.90</u>
<b>NOTE 36</b>		
<b>EARNING PER EQUITY SHARE</b>		
Profit after Tax	48.66	55.00
Weighted average number of Equity Shares outstanding	31,14,09,817	31,14,09,817
Basic Earnings per Equity Share (₹): (Face Value of ₹ 4 each)	1.56	1.77
Diluted Earnings per Equity Share (₹): (Face Value of ₹ 4 each)	1.56	1.77

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### 37. Financial Risk Management Objectives and Policies.

The Company's Financial Risk Management is an integral part of how to plan and execute its Business Strategies. The Company's Financial Risk Management Policy is set by the Board. The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk.

**37.1 Market Risk:** Market risk is the risk of loss of future earnings, fair values or future cash flows that may results from change in the price of a financial instrument. The value of a financial instrument change may change as result of change in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments and deposits, foreign currency receivables, payables and loans and borrowings. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk.

The Company has an elaborate risk management system to inform Board Members about risk management and minimization procedures.

**a) Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company makes certain imports in foreign currency & therefore is exposed to Foreign Exchange Risk.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

#### Foreign Currency Sensitivity.

The following table demonstrates the sensitivity to a reasonable possible change of US \$ with all other variable held constant. The impact on the Company's Profit / (Loss) before tax due to changes in Foreign Exchange Rate :

Particulars	₹ In Crore (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Appreciation in USD	+ Rs. 0.25	+ Rs. 0.25
Effect on profit / (loss) before tax	0.04	-
Depreciation in USD	- Rs. 0.25	- Rs. 0.25
Effect on profit / (loss) before tax	(0.04)	-

**b) Interest Rate Risk:** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by maintaining a proper blend of Fixed & Floating Rate Borrowings. The following Table shows the Company's Borrowings:

S. No.	Particulars	₹ In Crore (10 Million)	
		As at 31.03.2022	As at 31.03.2021
1	Loans in Rupees		
	- Fixed Rate	425.79	84.87
	- Floating Rate	515.36	484.90
	<b>Total</b>	<b>941.15</b>	<b>569.77</b>
2	Loans in USD		
	- Fixed Rate	-	-
	- Floating Rate	-	-
	Total	-	-
	<b>Grand Total (1+2)</b>	<b>941.15</b>	<b>569.77</b>

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

The Company regularly scans the Market & Interest Rate Scenario to find appropriate Financial Instruments & negotiates with the Lenders in order to reduce the effective Cost of Funding.

#### **Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the Company's profit / (loss) before tax is affected through the impact on finance cost with respect to our borrowing, as follows :

Particulars	₹ In Crore (10 Million)	
	As at 31.03.2022	As at 31.03.2021
Increase in Interest in Basis Points	+ 25	+ 25
Effect on profit / (loss) before tax	(1.37)	(1.31)
Decrease in Interest in Basis Points	-25	- 25
Effect on profit / (loss) before tax	1.37	1.31

The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

#### **c) Commodity Price Risk and Sensitivity:**

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

#### **37.2 Credit Risk:**

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

#### **Trade Receivable:**

Customer Credit Risk is managed based on Company's established policy, procedures and controls. The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Individual risk limits are set accordingly.

The credit risk from the organized and bigger buyers is reduced by securing Bank Guarantees/Letter of Credits/part advance payments/postdated cheques. The Outstanding of different parties are reviewed periodically at different level of organization. The outstanding from the trade segment is secured by two tier security – security deposit from the dealer himself, and our business associates who manage the dealers are also responsible for the outstanding from any of the dealers in their respective region. Impairment analysis is performed based on historical data at each reporting period on an individual basis.

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### The Aging of Trade Receivables is as below:-

₹ In Crore (10 Million)

Particulars	Outstanding for following periods from due date of Payment						Total
	Neither Due not Impaired	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>							
(i) Undisputed Trade Receivables - considered good							
- Secured	0.19	0.05	-	-	-	-	0.24
- Unsecured	4.06	0.18	₹48,106	₹22,256	-	-	4.24
<b>S. Total (i)</b>	<b>4.25</b>	<b>0.23</b>	<b>₹48,106</b>	<b>₹22,256</b>	<b>-</b>	<b>-</b>	<b>4.48</b>
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>4.25</b>	<b>0.23</b>	<b>₹48,106</b>	<b>₹22,256</b>	<b>-</b>	<b>-</b>	<b>4.48</b>
<b>As at March 31, 2021</b>							
(i) Undisputed Trade Receivables-considered good							
- Secured	0.11	-	-	-	-	-	0.11
- Unsecured	0.60	0.10	0.01	-	-	-	0.71
<b>S. Total (i)</b>	<b>0.71</b>	<b>0.10</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.82</b>
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>0.71</b>	<b>0.10</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.82</b>

#### Financial Instruments and Deposits with Banks:

The Company considers factors such as track record, size of institution, market reputation and service standards to select the bank with which balances and deposits are maintained. Generally, balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operation.

#### 37.3 Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The Company relies on a mix of borrowings, and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

while maintaining sufficient headroom on its undrawn committed borrowings facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

#### Maturity Profile of Financial Liabilities:

The following Table provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

₹ In Crore (10 Million)

S. No.	Particulars	Carrying Amount	Due within 1 Year	Due between 1-5 Years	Due after 5 Years	Total
<b>1</b>	<b>As on 31<sup>st</sup> March, 2022</b>					
	- Borrowings	941.15	406.33	292.68	242.14	941.15
	- Trade Payables	67.65	64.43	3.22	-	67.65
	- Other Liabilities *	112.65	87.02	25.63	-	112.65
	<b>Total</b>	<b>1121.45</b>	<b>557.78</b>	<b>321.53</b>	<b>242.14</b>	<b>1121.45</b>
<b>2</b>	<b>As on 31<sup>st</sup> March, 2021</b>					
	- Borrowings	569.77	46.79	240.60	282.38	569.77
	- Trade Payables	53.32	50.91	2.41	-	53.32
	- Other Liabilities *	92.14	72.48	19.66	-	92.14
	<b>Total</b>	<b>715.23</b>	<b>170.18</b>	<b>262.67</b>	<b>282.38</b>	<b>715.23</b>

\* Including Government Dues

#### The Aging of Trade Payables is as below:-

₹ In Crore (10 Million)

Particulars	Outstanding for following periods from due date of Payment						Total
	Unbilled Due	Not Due Due	Upto 1 years	1-2 years	2-3 years	More than 3 years	
<b>As on 31<sup>st</sup> March, 2022</b>							
(i) MSME	-	1.66	0.31	-	-	-	1.97
(ii) Others	20.61	31.18	10.67	1.82	0.50	0.90	65.68
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>20.61</b>	<b>32.84</b>	<b>10.98</b>	<b>1.82</b>	<b>0.50</b>	<b>0.90</b>	<b>67.65</b>
<b>As on 31<sup>st</sup> March, 2021</b>							
(i) MSME	-	0.46	-	-	-	-	0.46
(ii) Others	21.88	21.29	7.28	1.48	0.06	0.87	52.86
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>21.88</b>	<b>21.75</b>	<b>7.28</b>	<b>1.48</b>	<b>0.06</b>	<b>0.87</b>	<b>53.32</b>

#### 38. Capital Risk Management:

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal structure to reduce the cost of capital.

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

For the purpose of the Company's capital management, capital includes issued capital, preference shares and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

₹ In Crore (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
Borrowings	941.15	569.77
Less: Cash and Cash equivalents (Including Current Investments & other bank balances)	(321.28)	(105.45)
<b>Net debt</b>	<b>619.87</b>	<b>464.32</b>
Equity Share Capital	124.56	124.56
Other Equity	170.00	122.21
<b>Total Capital</b>	<b>294.56</b>	<b>246.77</b>
Capital and net debt	914.43	711.09
Gearing ratio	68%	65%

The Company monitors capital using a gearing ratio, which is Net Debt divided by Total Capital plus Net Debt. Net Debt is calculated as total borrowings including short term and current maturities of long term debt. No changes were made in the objectives, policies or processes for mandating capital during the year ended March 31, 2022 and March 31, 2021.

#### 39. Fair Value of Financial Assets and Liabilities:

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies:-

₹ In Crore (10 Million)

Particulars	31 <sup>st</sup> March'22		31 <sup>st</sup> March'21	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>A. Financial Assets</b>				
(i) <b>At Fair Value through Profit and Loss :-</b>				
- Investments in Mutual Funds	87.19	87.19	92.74	92.74
(ii) <b>At Amortized Cost :-</b>				
a) Bank FDs.	227.22	227.22	10.07	10.07
b) Cash & Bank Balances	6.87	6.87	2.64	2.64
c) Trade Receivables	4.48	4.48	0.82	0.82
d) Others	8.46	8.46	10.24	10.24
<b>Total</b>	<b>334.22</b>	<b>334.22</b>	<b>116.51</b>	<b>116.51</b>
<b>B. Financial Liabilities</b>				
(i) <b>At Amortized Cost</b>				
- Borrowings	941.15	941.15	569.77	569.77
- Trade Payables	67.65	67.65	53.32	53.32
- Other Financial Liabilities	85.49	85.49	65.35	65.35
<b>Total</b>	<b>1094.29</b>	<b>1094.29</b>	<b>688.44</b>	<b>688.44</b>



## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### Fair Valuation Techniques:

The Company maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The Fair Values of the Financial Assets and Liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:-

1. Fair Value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.
3. Fair value of Investments in quoted mutual funds and equity shares are based on quoted market price at the reporting date. The fair value of unquoted Investments in preference shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted Investments in equity shares are estimated on net assets basis.
4. Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
5. The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

#### Fair Value Hierarchy:

The following table provides the fair value measurement hierarchy of Company's assets and liabilities, grouped into Level 1 to Level 3 as described below:

**i. Level 1:**

Quoted prices in active markets.

**ii. Level 2:**

Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly

**iii. Level 3:**

Inputs that are not based on observable market data.

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

The following table provides the Fair Value measurement hierarchy of Company's assets and liabilities, grouped into Level 1 as described below:

#### (A) Financial Assets

₹ In Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
<b>As at March 31, 2022</b>			
<b>Financial Assets at FVTPL</b>			
- Mutual Funds	87.19	-	-
<b>Financial Assets at Amortized Cost</b>			
- Bank FDs	-	227.22	-
- Cash & Bank Balances	-	6.87	-
- Trade Receivables	-	-	4.48
- Others	-	-	8.46
<b>Total Financial Assets</b>	<b>87.19</b>	<b>234.09</b>	<b>12.94</b>
<b>As at March 31, 2021</b>			
<b>Financial Assets at FVTPL</b>			
- Mutual Funds	92.74	-	-
<b>Financial Assets at Amortized Cost</b>			
- Bank FDs	-	10.07	-
- Cash & Bank Balances	-	2.64	-
- Trade Receivables	-	-	0.82
- Others	-	-	10.24
<b>Total Financial Assets</b>	<b>92.74</b>	<b>12.71</b>	<b>11.06</b>

#### (B) Financial Liabilities

₹ In Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
<b>As at March 31, 2022</b>			
<b>Financial Liabilities at Amortized Cost</b>			
- Borrowings	-	941.15	-
- Trade Payables	-	-	67.65
- Other Financial Liabilities	-	-	85.49
<b>Total Financial Liabilities</b>	<b>-</b>	<b>941.15</b>	<b>153.14</b>
<b>As at March 31, 2021</b>			
<b>Financial Liabilities at Amortized Cost</b>			
- Borrowings	-	569.77	-
- Trade Payables	-	-	53.32
- Other Financial Liabilities	-	-	65.35
<b>Total Financial Liabilities</b>	<b>-</b>	<b>569.77</b>	<b>118.67</b>

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2022

#### 40. Segment Information:

The Company is engaged primarily into manufacturing of Cement. The Company has only one business segment as identified by management namely Cementitious Materials. Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Directors of the Company.

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**41. Income Tax Expense:**

**i. Amount recognized in the Statement of Profit & Loss :-**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Current Tax	-	-
Deferred Tax (Gain) / Loss (Relating to origination and reversal of temporary difference)	16.15	2.14
Adjustments in respect of current income tax of previous year	-	-

**ii. Deferred Tax recognized in Other Comprehensive Income (OCI) :-**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Deferred Tax (Gain)/Loss on defined benefit	(0.08)	(0.08)

**iii. Reconciliation of effective tax rate :-**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>Accounting Profit / (Loss) before taxes</b>	<b>64.50</b>	56.80
At applicable Statutory Income Tax Rate	<b>25.17%</b>	25.17%
Computed tax Expense / (Income)	<b>16.23</b>	14.30
<b>Increase/(reduction) in taxes on account of:</b>		
- Income not taxable / exempt from tax (on account of C/F Unabsorbed Depreciation & Business Losses)	<b>(16.23)</b>	(14.30)
- Deferred Tax related to Property, plant & equipment & others	<b>16.15</b>	2.14
<b>Income Tax Expenses / (Income) reported to Profit &amp; Loss</b>	<b>16.15</b>	<b>2.14</b>

**iv. Reconciliation of Deferred Tax Assets / (Liabilities) (Net) :-**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>Opening Balance</b>	<b>57.34</b>	59.40
Deferred Tax recognized in Statement of Profit & Loss	<b>(16.15)</b>	(2.14)
Other Comprehensive Income	<b>0.08</b>	0.08
<b>Closing Balance</b>	<b>41.27</b>	<b>57.34</b>

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**v. Deferred Tax:**

**Deferred Tax relates to the followings:**

₹ In Crore (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Deferred Tax Assets related to</b>		
Brought Forward losses/depreciation setoff	(11.87)	(21.17)
Disallowance/Allowance (Net) under Income Tax	1.08	2.27
<b>Total Deferred Tax Assets</b>	<b>(10.79)</b>	<b>(18.90)</b>
<b>Deferred Tax Liabilities related to</b>		
Property, Plant & Equipment	(5.28)	16.84
<b>Total Deferred Tax Liabilities</b>	<b>(5.28)</b>	<b>16.84</b>
Net Total Movement in Statement of Profit & Loss	(16.07)	(2.06)
Movement in Profit & Loss	(16.15)	(2.14)
Movement in OCI	0.08	0.08

**42. Dividends :**

The Company has neither proposed nor declared any dividend for the financial year 2021-22 and 2020-21.

**43.** The Company uses foreign currency forward contracts to manage some of its transactions exposure. The details of derivative financial instruments are as follows:

₹ In Crore (10 Million)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Assets</b>		
Forward Contracts	-	-
<b>Liabilities</b>		
Forward Contracts	12.55	3.04

**44. Retirement Benefit Obligations**

**A. Expense recognized for Defined Contribution Plan**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Company's contribution to Provident Fund	1.70	1.52
Company's contribution to ESI	0.01	0.02
Company's contribution to Superannuation	0.09	0.09
<b>Total</b>	<b>1.80</b>	<b>1.63</b>

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the standalone Balance Sheet As at March 31, 2022 and March 31, 2021, being the respective measurement dates:

**a) Change in Present Value of Defined Benefit Obligation during the year**

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)	Leave encasement (Unfunded)
<b>Present Value of Obligation - April 1, 2020</b>	<b>4.48</b>	<b>2.13</b>
Acquisitions / Transfer in/ Transfer out	-	-
Current service cost	0.46	0.47
Interest cost	0.29	0.14
Past Service Cost including curtailment	-	-
Gains/Losses		
Benefits paid	(0.89)	(0.53)
Remeasurements - Actuarial loss/ (gain)	0.36	0.24
<b>Present Value of Obligation - March 31, 2021</b>	<b>4.70</b>	<b>2.45</b>
<b>Present Value of Obligation - April 1, 2021</b>	<b>4.70</b>	<b>2.45</b>
Acquisitions / Transfer in/ Transfer out	-	-
Current service cost	0.53	0.49
Interest cost	0.31	0.16
Past Service Cost including curtailment	-	-
Gains/Losses		
Benefits paid	(0.88)	(0.68)
Remeasurements - Actuarial loss/ (gain)	0.24	0.43
<b>Present Value of Obligation - March 31, 2022</b>	<b>4.90</b>	<b>2.85</b>

**b) Change in Fair Value of Plan Assets – Gratuity**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>Fair Value of Plan Assets at beginning of year</b>	<b>4.54</b>	3.05
Acquisitions / Transfer in / Transfer out	-	-
Expected return on Plan Assets	<b>0.29</b>	0.20
Employer Contributions	<b>0.88</b>	2.15
Benefits paid	<b>(0.88)</b>	(0.89)
Actuarial gain / (loss)	<b>(0.07)</b>	0.03
Fair Value of Plan Assets at end of year	<b>4.76</b>	<b>4.54</b>
Present Value of Obligation	<b>4.90</b>	4.70
Net Funded status of Plan	<b>0.14</b>	0.17
Actual Return on Plan Assets	<b>0.22</b>	<b>0.22</b>

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### c) Expenses recognized in Statement of Profit and Loss

Particulars	Gratuity (Funded)	Leave encasement (Unfunded)
Current service cost	0.46	0.47
Interest cost	0.29	0.14
Expected return on Plan Assets	(0.20)	-
Past Service Cost including curtailment Gain/Losses	-	-
Remeasurements - actuarial loss/ (gain)	-	0.24
<b>For the year ended March 31, 2021</b>	<b>0.55</b>	<b>0.85</b>
Actual return on Plan Assets	0.22	-
Current service cost	0.53	0.49
Interest cost	0.31	0.16
Expected return on Plan Assets	(0.29)	-
Past Service Cost including curtailment Gain/Losses	-	-
Remeasurements - actuarial loss/ (gain)	-	0.43
<b>For the year ended March 31, 2022</b>	<b>0.55</b>	<b>1.08</b>
Actual Return on Plan Assets	0.22	-

#### d) Recognized in Other Comprehensive Income

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)
<b>For the year ended March 31, 2021</b>	
Remeasurements - actuarial loss/ (gain)	0.34
<b>For the year ended March 31, 2022</b>	
Remeasurements - actuarial loss/ (gain)	0.31

#### e) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

₹ In Crore (10 Million)

Particulars	As at year ended March 31, 2022	As at year ended March 31, 2021
Attrition rate	-	-
Discount Rate	6.50%	6.50%
Expected Rate of increase in salary	5.50%	5.50%
Expected Rate of Return on Plan Assets	6.50%	6.50%
Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Expected Average remaining working lives of employees (years)	18.82	17.89

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**f) Sensitivity analysis:**

₹ In Crore (10 Million)

Particulars	Change in Assumption	Effect on Gratuity obligation	Change in Assumptions	Effect on Leave Encashment obligation
<b>For the year ended March 31, 2021</b>				
Discount rate	+0.50%	(0.17)	+0.50%	(0.13)
	-0.50%	0.18	-0.50%	0.15
Salary Growth Rate	+0.50%	0.17	+0.50%	0.12
	-0.50%	(0.16)	-0.50%	(0.11)
<b>For the year ended March 31, 2022</b>				
Discount rate	+0.50%	(0.20)	+0.50%	(0.16)
	-0.50%	0.22	-0.50%	0.17
Salary Growth Rate	+0.50%	0.20	+0.50%	0.17
	-0.50%	(0.19)	-0.50%	(0.16)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated

**g) History of experience adjustments is as follows:**

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)
<b>For the year ended March 31, 2021</b>	
Plan Liabilities - (loss) / gain	0.21
Plan Assets - (loss) / gain	0.03
<b>For the year ended March 31, 2022</b>	
Plan Liabilities - (loss) / gain	0.24
Plan Assets - (loss) / gain	(0.07)

**Estimate of expected benefit payments**

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)
01 Apr 2022 to 31 Mar 2023	0.89
01 Apr 2023 to 31 Mar 2024	0.28
01 Apr 2024 to 31 Mar 2025	0.61
01 Apr 2025 to 31 Mar 2026	0.23
01 Apr 2026 to 31 Mar 2027	0.21
01 Apr 2027 to 31 Mar 2028	0.11
01 Apr 2028 Onwards	2.56

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**h) Statement of Employee Benefit Provision**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Gratuity	4.90	4.70
Leave encashment	2.85	2.45
<b>Total</b>	<b>7.75</b>	<b>7.15</b>

**i) Current and Non-Current Provision for Gratuity and Leave Encashment**

The following table sets out the funded status of the plan and the amounts recognized in the Company's balance sheet.

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)	Leave encashment (Unfunded)
<b>For the year ended March 31, 2021</b>		
Current provision	0.83	0.31
Non-current provision	3.87	2.14
<b>Total Provision</b>	<b>4.70</b>	<b>2.45</b>
<b>For the year ended March 31, 2022</b>		
Current provision	0.89	0.39
Non-current provision	4.01	2.46
<b>Total Provision</b>	<b>4.90</b>	<b>2.85</b>

**j) Employee Benefit Expenses**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Salaries and Wages	30.02	29.26
Costs-Defined Benefit Plan	0.54	0.55
Costs-defined contribution plan	1.80	1.63
Welfare expenses	3.97	3.73
<b>Total</b>	<b>36.33</b>	<b>35.17</b>

**OCI presentation of defined benefit plan**

- Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

**Presentation in Statement of Profit & Loss and Balance Sheet**

- Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.
- IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.
- Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.



## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

- When there is surplus in defined benefit plan, Company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign Company can use corporate bonds rate.
- The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

#### 45. Expenses charged to Cost of Material includes:

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Salaries and Wages	1.57	1.38
Contribution to Provident and Other Funds	0.13	0.13
Staff Welfare Expenses	0.24	0.21
Consumption of Stores and Spares	12.06	6.83
Power & Fuel	1.83	1.44
Material Handling	16.30	13.14
Royalty	19.83	16.11
Miscellaneous Expenses	1.67	0.68
<b>Total</b>	<b>53.63</b>	<b>39.92</b>

#### 46. Capital work in progress includes Machinery in stock, construction / erection materials, and also includes the following pre-operation expenses pending allocation

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Power & Fuel	0.41	0.15
Salaries & Wages	1.97	0.45
Staff Welfare Expenses	0.02	0.02
Insurance	0.27	-
Travelling, Consultancy & Miscellaneous Expenses	0.97	0.36
Finance Cost	1.28	0.74
	<b>4.92</b>	<b>1.72</b>
Add: Expenditure up to previous period	1.79	0.07
Less: Transferred to Fixed Assets	2.65	-
	<b>4.06</b>	<b>1.79</b>

#### 47. Detail of Expenditure and Earning in Foreign Currency :

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>a) Expenditure in Foreign Currency on account of:-</b>		
- Travelling Expenditure	0.11	0.04
<b>b) C.I.F. value of Imports</b>		
- Power & Fuel	8.43	1.44
- Stores & Spares	3.21	1.92
- Capital Goods	1.82	2.71

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

#### 48. Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances):

₹ In Crore (10 Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Property, Plant & Equipment	420.75	4.27

#### 49. Contingent Liabilities

- i. Contingent liabilities in respect of claims not accepted by the Company (including matters in appeals) and not provided for are as follows:

₹ In Crore (10 Million)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Sales Tax	0.42	8.13
2	Other matters	4.88	4.65
		5.30	12.78

- ii. Contingent liability for non-use of jute bags for Cement packing up to 30<sup>th</sup> June, 1997, as per Jute Packaging Materials (Compulsory use of Packaging Commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded Cement Industry from application of the said Order from 1<sup>st</sup> July, 1997.

50. The liabilities pertaining to the statutory levies and pending legal cases prior to 01.12.1993 (date of takeover of the cement undertaking from Bajaj Hindustan Limited) will be borne by Bajaj Hindustan Limited.

51. The Company received subsidy of Nil (Previous year - ₹ 1.16 Crs.) in terms of State Investment Promotion Scheme towards exemption from electricity duty which was netted from Power & Fuel expenses.

52. a) Sales include own consumption at cost of Nil (Previous years - ₹ 49,200).  
 b) Consumption of stores & spares is net of scrap sales ₹ 3.01 Crs. (Previous year - ₹ 0.18 Crs.)  
 c) Other Operating Revenue includes Sales Tax / Value added Tax / SGST subsidy of Nil (Previous year - ₹ 8.94 Crs.) and others - Nil. (Previous year - Nil).

#### 53. a) Disclosure in respect of Corporate Social Responsibility Expenditure:

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
Amount required to be spent by the company during the year.	0.17	Nil
Amount of expenditure incurred	0.17	Nil
Shortfall at the end of year	Nil	Nil
Total of previous years shortfall	Nil	Nil

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

54. a) Forward Contract of ₹ 12.55 Crs. (Previous year – ₹ 3.04 Crs.) taken for the purpose of hedging payables and against letter of credit.

b) Foreign exchange fluctuation of gain (net) of ₹ 0.05 Crs. (previous year loss (net) of ₹ 0.08 Crs.)

#### 55. Derivative Financial Instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts (including option contracts - seagull structure) to manage some of its transaction exposures. The foreign exchange forward contracts and foreign exchange option contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to thirty six months.

##### Foreign currency risk

The Company has entered into foreign exchange forward contracts and foreign exchange option contracts with the intention to reduce the foreign exchange risk on repayment of buyer's credit and foreign currency loan, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

##### Forward & Option Contract outstanding for the purpose of hedging at the Balance Sheet Date

		₹ In Crore (10 Million)			
Particulars		31 <sup>st</sup> March'22		31 <sup>st</sup> March'21	
		F Cy	Amount (₹ Crore)	F Cy	Amount (₹ Crore)
	<b>Forward</b>				
1	USD	<b>0.61 Mn</b>	<b>4.64</b>	-	-
2	Euro	<b>0.92 Mn</b>	<b>7.91</b>	0.34	3.04
	<b>Option</b>				
1	USD	-	-	-	-

56. Based on information available with the Company in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under:

- i. Principal and Interest amount due and remaining unpaid as at 31<sup>st</sup> March 2022 – ₹ 1.97 Crs. (Previous year - ₹ 0.46 Crs.).
- ii. Interest paid in terms of section 16 of the MSME Act during the year - Nil (Previous year - Nil).
- iii. The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified – Nil (Previous year - Nil).
- iv. Payment made beyond the appointed day during the year - Nil (Previous year - Nil).
- v. Interest Accrued and unpaid as at 31<sup>st</sup> March 2022 - Nil (Previous year - Nil).

57. Some of the Balances of debtors and creditors are in process of confirmation.

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**58. Amount paid to Auditors:**

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>a) Statutory Auditors:-</b>		
(i) Audit Fee	0.03	0.02
(ii) Tax Audit Fee	0.01	0.01
(iii) Other Services	0.01	0.02
	<b>0.05</b>	<b>0.05</b>
<b>b) Cost Auditors:-</b>		
(i) Cost Audit Fee	0.01	0.01
	<b>0.01</b>	<b>0.01</b>

**59. Related Party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during reported periods, are:

**a) Related Party Name and Relationship**

S. No.	Name of Related Party	Country of Incorporation	% Equity Interest	
			As at March 31, 2022	As at March 31, 2021
	<b>Holding Company</b>			
a)	JK Lakshmi Cement Ltd. (JKLC)	India	72.54%	72.54%
	<b>Fellow Subsidiary</b>			
b)	Hansdeep Industries & Trading Company Limited (HITCL)	India	NIL	NIL
c)	Ram Kanta Properties Private Ltd. (RKPPL)	India	NIL	NIL

**b) Key Management Personnel (KMP)**

Smt. Vinita Singhania	– Chairperson (Non Executive Director)
Shri Shrivats Singhania	– Executive Director (Business Development)
Shri O.N. Rai	– Independent and Non Executive Director
Shri Surendra Malhotra	– Independent and Non Executive Director
Shri Vinit Marwaha	– Independent and Non Executive Director
Amb. Bhaswati Mukherjee	– Independent and Non Executive Director
Shri Naveen Kumar Sharma	– Whole Time Director
Shri Pranav Chitre	– Chief Financial Officer
Ms. Poonam Singh	– Company Secretary & Compliance Officer

**c) Holding Company**

**Key Management Personnel (KMP)**

Shri Bharat Hari Singhania	– Chairman & Managing Director
Smt. Vinita Singhania	– Vice Chairman & Managing Director
Shri B.V. Bhargava	– Independent and Non Executive Director
Shri N.G. Khaitan	– Independent and Non Executive Director
Dr. K.N. Memani	– Independent and Non Executive Director

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

Dr. Raghupati Singhania	– Non Independent and Non Executive Director
Shri Ravi Jhunjhunwala	– Independent and Non Executive Director
Amb. Bhaswati Mukherjee	– Independent and Non Executive Director
Shri S.K. Wali	– Whole Time Director
Dr. S. Chouksey	– Whole Time Director
Shri Sudhir A Bidkar	– Chief Financial Officer
Shri Brijesh K Daga	– Sr. VP & Company Secretary

#### d) Trusts under Common Control

JK Udaipur Udyog Limited Employees' Group Gratuity Fund Trust

JK Udaipur Udyog Limited Officers' Superannuation Fund Trust

#### (I) The following transactions were carried out with related parties in the ordinary course of business:

₹ In Crore (10 Million)

Sl. No.	Nature of Transactions	2021-22				2020-21			
		JKLC	HITCL	RKPPL	Trusts	JKLC	HITCL	RKPPL	Trusts
(i)	Purchase of Cement /Clinker/ Others	204.66	-	-	-	205.67	-	-	-
(ii)	Sales of Cement /Clinker/Others	431.90	-	-	-	298.87	0.82	-	-
(iii)	Sharing of Expenses/Expenses paid	2.92	-	-	-	4.47	-	-	-
(iv)	Finance Charges on Inter Corporate Loan	-	0.30	-	-	-	6.22	-	-
(v)	Corporate guarantee taken for Term Loan	350.00	-	-	-	270.00	-	-	-
(vi)	Repayment of Loan	-	10.00	-	-	-	246.28	-	-
(vii)	Payment to Trusts	-	-	-	0.96	-	-	-	2.31
(viii)	Rent & Others	-	-	0.42	-	-	-	0.69	-
(ix)	<b>Outstanding as at year end:-</b>								
	<b>- Receivable / (Payable)</b>								
	HITCL	-	-	-	-	-	(10.80)	-	-
	JKLC	(6.24)	-	-	-	(12.28)	-	-	-
	RKPPL	-	-	0.11	-	-	-	0.11	-
	Trusts	-	-	-	(0.21)	-	-	-	(0.22)
	Corporate Guarantee Outstanding	(906.27)	-	-	-	(572.15)	(10.00)	-	-

#### (II) Remuneration paid to KMPs:

₹ In Crore (10 Million)

S. No.	Particulars	2021-22	2020-21
(i)	Short Term Employee Benefit	4.21	3.57
(ii)	Post Employee Benefit*	-	-
(iii)	Other Payments	0.15	0.09
(iv)	Receivable / (Payable)	(0.01)	(0.001)

\*As the Liability for Gratuity and Leave Encashment are provided on actuarial basis for the Company as a whole.

The amount pertaining to KMPs are not included above.

The transactions with related party have been made on terms equivalent to those that prevail in arm's length transactions.

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

**60.** Exceptional Item of ₹ 3.60 Crores includes:-

- (i) RIPS Benefits of ₹ 2.52 Crores availed by the Company during an earlier year or previous year Financial Year under the Rajasthan Investment Promotion Scheme, 2010 on SGST deposited in respect of certain Sales made by the Company which was disallowed by the Department.
- (ii) Cross Subsidy Charges of ₹ 1.08 Crores levied by the State Electricity Board on the Solar Power generated & consumed in an earlier year or previous year from its In-house Solar Power Plant.

**61. Impairment Review :**

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions

**Key assumptions used in value-in-use calculations are:-**

- (i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

**62. Events Occurring after the Balance Sheet Date**

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization of these financial statements.

**63.** The Management has continuously been taking all the possible steps to mitigate the impact of Covid-19 on its Business & operations to the extent possible. The Company has considered all possible impact of Pandemic in preparation of the above Financial Results. Based on its assessment of the current indicators of the future economic conditions, the Management expects to recover the carrying amounts of its Assets & does not foresee any risk to service its financial obligations. The impact of any future events & developments emerging out of Pandemic, occurring after the approval of the above Financial Results will be recognized prospectively.

**64.** The proceeds of Privately Placed Guaranteed Rated Secured Unlisted Redeemable Non Convertible Debentures, pending its full utilisation, have been temporarily deployed in Debt Instrument of Mutual Funds and Short Term Deposits with Banks.

**65.** The Company has Working Capital Limits from Banks on the basis of hypothecation of Current Assets. It has also filed the Monthly/Quarterly Statements of Current Assets with all Consortium Banks during the Year and these Statements Match with the salient Relevant Items of Books of Account of the Company.

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

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

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

## Udaipur Cement Works Limited

### Notes to the financial statement for the year ended March 31, 2022

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

#### 67. Relationship with Struck off Companies

₹ In Crore (10 Million)

S.N.	Name of Struck off Companies	Nature of transactions with Struck off Companies	Balance Outstanding	Relationship with Struck off Company, if any, to be disclosed
<b>A)</b>	<b>Vendors</b>			
1	IGUS (India) Pvt. Ltd.	Payables	Nil	Trade Payable
2	Print Express Private Ltd.	Payables	Nil	Trade Payable
<b>B)</b>	<b>Customers</b>			
1	Maharaja International Ltd.	Receivables	Nil	Trade Receivable

#### 68. Key Changes in Financial Indicators

₹ In Crore (10 Million)

S. No.	Particulars	Unit	2021-22	2020-21
1	Current Ratio	Times	<b>0.76</b>	0.99
2	Debt-Equity Ratio - A	Times	<b>3.20</b>	2.31
3	Debt Service Coverage Ratio	Times	<b>1.75</b>	2.08
4	Return on Equity Ratio - B	%	<b>17.89%</b>	25.44%
5	Inventory Turnover Ratio	Times	<b>12.47</b>	12.41
6	Trade Receivables Turnover Ratio - C	Times	<b>423</b>	236
7	Trade Payables Turnover Ratio	Times	<b>11.16</b>	11.19
8	Net Capital Turnover Ratio	Times	<b>3.24</b>	3.42
9	Net Profit Ratio - D	%	<b>5.53%</b>	7.45%
10	Return on Capital Employed - E	%	<b>11.32%</b>	17.37%
11	Return on Investment - F	%	<b>1.36%</b>	0.99%

#### Reason for Variance

- Usage of Leverage
- Input cost and Fuel cost inflation impact
- Effective Working Capital management
- Input cost and Fuel cost inflation impact
- Impact of Input cost and Fuel cost inflation on returns and usage of Leverage benefit has increased Debt component in Capital Employed
- Better Corporate performance

**Udaipur Cement Works Limited**  
**Notes to the financial statement for the year ended March 31, 2022**

**Elements of Ratio**

Ratios	Numerator	Denominator	March 31, 2022		March 31, 2021	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	<b>434.58</b>	<b>570.53</b>	181.55	182.84
Debt Equity Ratio	Debt (Borrowing)	Total Equity	<b>941.15</b>	<b>294.56</b>	569.77	246.77
Debt Service Coverage Ratio	Earnings before Interest, depreciation and taxes (Profit Before Tax+Finance Cost + Depreciation)	Interest + Principal Repayment	<b>153.82</b>	<b>87.91</b>	151.28	72.61
Return on Equity Ratio	Profit for the period/year	Average Total Equity	<b>48.43</b>	<b>270.67</b>	54.74	215.16
Inventory Turnover Ratio	Net Revenue from Operations	Average Inventory	<b>875.98</b>	<b>70.25</b>	735.10	59.22
Trade Receivable Turnover Ratio	Gross Revenue from Operations	Average Trade Receivable	<b>1121.25</b>	<b>2.65</b>	937.36	3.98
Trade Payable Turnover Ratio	Purchases of Goods & Services	Average Trade Payable	<b>674.74</b>	<b>60.49</b>	527.73	47.15
Net Capital Turnover Ratio	Net Revenue from Operations	Average Working Capital	<b>875.98</b>	<b>270.67</b>	735.10	215.16
Net Profit Ratio	Profit for the period / year	Revenue from Operations	<b>48.43</b>	<b>875.98</b>	54.74	735.10
Return on Capital Employed (Before Tax)	Profit before Tax+Finance Cost- Other Income	Average Capital Employed, Capital Employed=Equity+ Debt (Borrowings)- Current Investments- Non Current Investments - CWIP and Capital Advances+Deferred Tax Liability	<b>85.25</b>	<b>753.26</b>	110.97	638.89
Return on Investment	Interest Income on fixed deposits+Profit on sale of Investments+Profit on fair valuation of Investments carried at FVTPL	Current Investments+ Non Current Investments+Other bank balances	<b>4.37</b>	<b>321.27</b>	1.04	105.44

**69.** Previous year's figures have been regrouped/re-classified wherever necessary and figures less than ₹ 50,000 have been shown as actual in bracket.

As per our report of even date

**For BANSILAL SHAH & COMPANY**  
Chartered Accountants  
Firm Registration No.: 000384W

**ARVIND SHAH**  
Partner  
Membership No.: 071690  
Place: Udaipur  
Date: 17<sup>th</sup> May 2022

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

**VINITA SINGHANIA**  
Chairperson

**SHRIVATS SINGHANIA**  
**ONKAR NATH RAI**  
**SURENDRA MALHOTRA**  
**VINIT MARWAHA**  
**BHASWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA**

Directors



# UDAIPUR CEMENT WORKS LIMITED

## CASH FLOW STATEMENT FOR YEAR ENDED 31<sup>ST</sup> MARCH 2022

₹ In Crore (10 Million)

Particulars	2021-22	2020-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax and Exceptional Items	68.41	64.07
Adjustments for:		
Depreciation and Amortisation (net)	35.15	33.43
Interest Income	(0.80)	(0.80)
Profit on sale of Assets (net)	(0.03)	(0.04)
Profit on sale of Current Investment (net)	(4.26)	(1.05)
(Gain) / Loss on fair value of Current Investments	0.39	(0.30)
Finance Costs	50.26	53.78
Foreign Exchange Difference (net)	(0.05)	0.08
Exceptional Items	(3.60)	(6.93)
Operating Profit before Working Capital changes	145.47	142.24
<b>Adjustments for :</b>		
Trade & Other Receivables	4.02	17.48
Inventories	(39.08)	17.02
Trade & Other Payables	32.52	10.36
<b>Net Cash from Operating Activities</b>	<b>142.93</b>	<b>187.10</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(254.05)	(48.53)
Sale of Property, Plant & Equipment	0.03	0.11
Interest received	0.70	0.59
(Purchase) / Sale of Investments (net)	9.42	(66.30)
<b>Net Cash from / (used in) Investing Activities</b>	<b>(243.90)</b>	<b>(114.13)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Non Convertible Debentures	350.00	-
Proceeds from Long-Term Borrowings	64.22	274.51
Repayment of Long-Term Borrowings	(47.65)	(265.11)
Short term Borrowings (net)	-	(0.10)
Interest Paid	(44.22)	(70.82)
<b>Net Cash from / (used in) Financing Activities</b>	<b>322.35</b>	<b>(61.52)</b>
<b>D. Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>221.38</b>	<b>11.45</b>
<b>E. Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b>12.71</b>	<b>1.26</b>
<b>F. Cash &amp; Cash Equivalents as at the close of the year</b>	<b>234.09</b>	<b>12.71</b>
Notes :		
<b>1</b> Cash and Cash Equivalents include :		
- Cash, Cheques in hand and remittance in transit	0.01	0.02
- Balance with Scheduled Banks	234.08	12.69
	<b>234.09</b>	<b>12.71</b>
<b>2</b> The cash flow statement has been prepared under the indirect method as set out in Indian Accounting (Ind AS) 7 Statement of Cash Flows.		
<b>3</b> Previous year's figures have been re-arranged and re-casted wherever necessary.		

As per our report of even date

**For BANSILAL SHAH & COMPANY**  
Chartered Accountants  
Firm Registration No.: 000384W

**ARVIND SHAH**  
Partner  
Membership No.: 071690  
Place: Udaipur  
Date: 17<sup>th</sup> May 2022

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**BHASWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA**

Directors



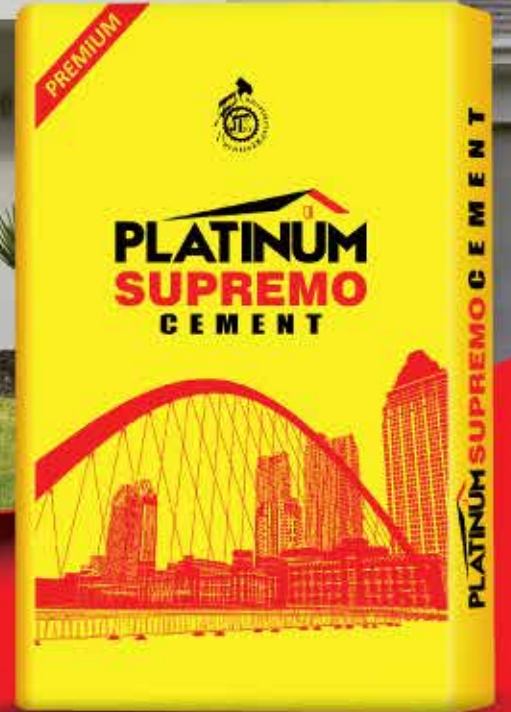






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### Works

Shripati Nagar, CFA, P.O. Dabok, Udaipur - 313022, Rajasthan.

### Marketing Offices

**Udaipur:** 304, 3<sup>rd</sup> Floor, Mangalam Fun Square, Durga Nursery Road, Udaipur - 313001, Rajasthan.

**Jaipur:** 601-603, Apex Mall, 5<sup>th</sup> Floor, Lal Kothi Scheme, Tonk Road, Jaipur - 302015, Rajasthan.

**Jodhpur:** 1<sup>st</sup> Floor, Near Max Life Insurance, L. M. Tower, Opp. Dainik Bhaskar, ITI Circle, Jodhpur - 342001, Rajasthan.

**Ahmedabad:** 653, Iscon Emporio, Near Star Bazar, Jodhpur Cross Road, Satellite, Ahmedabad, Gujarat.

Customer Helpline **1800 102 2407** [www.udaipurcement.com](http://www.udaipurcement.com)

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