



**PANYAM  
CEMENTS AND MINERAL  
INDUSTRIES LIMITED**



**2021-22**

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## **CORPORATE INFORMATION**

A company under Corporate Insolvency Resolution Process (CIRP) by National Company Law Tribunal ("NCLT") vide order dated 14<sup>th</sup> May, 2020.

### **BOARD OF DIRECTORS**

(Suspended during CIRP vide NCLT, Amravati Bench order dated 14<sup>th</sup> May 2020)

|                                  |                   |
|----------------------------------|-------------------|
| Mr. S. Sreedhar Reddy            | Managing Director |
| Mr. S. Panduranga Rao            | Director          |
| Mr. Palani Thangavel             | Director          |
| Mr. Aravindan Palani             | Director          |
| Dr. Sakthi Sri Devi              | Director          |
| Mr. Jayarama Reddy Pedireddygari | Director          |
| Dr. Srinisha Jagathrakshakan     | Director          |

### **COMPANY SECRETARY & CFO**

Ms. Diya Venkatesan

### **RESOLUTION PROFESSIONAL**

Mr. Bhrugeth Rameshchandra Amin  
IP Registration - IBBI/IPA-002/IP-N00353/  
2017-18/11003

### **AUDITORS**

K. S. Rao & Co.  
Chartered Accountants  
Flat 601A, Golden Green Apartments,  
Irrum Manzil Colony, Hyderabad - 500 082

### **SECRETARIAL AUDITORS**

B S S & Associates  
Practicing Company Secretaries  
Flat No 5A, Parameswara Apartments,  
Beside SBI, Anand Nagar, Khairatabad,  
Hyderabad - 500 044, India

### **BANKERS**

Canara Bank  
Cement Nagar, Andhra Pradesh

### **REGISTRAR & SHARE TRANSFER AGENTS**

XI Softech Systems Limited  
3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad - 500 034.  
Phone Nos.: 040-23545913/14/15  
Fax No.: 040-23553214  
Email: xlfield@rediffmail.com

**REGISTERED OFFICE & WORKS**

# 10/156, Betamcherla Road, Betamcherla,  
Cement Nagar, Kurnool,  
Andhra Pradesh – 518206.  
Telephone Nos.: 08516-293625  
Email: panyam1956@gmail.com

**CENTRAL ADMINISTRATIVE OFFICE**

H.No. 1-65, 1<sup>st</sup> Floor, Plot No.539,  
Road No. 11 Kakateeya Hills,  
Guttala Begumpet Village, Madhapur,  
Hyderabad, Telangana – 500081  
Telephone Nos.: 040-49544944  
E-mail: accounts@panyamcements.in  
Website: www.panyamcements.in  
ISIN: INE167E01037  
CIN: L26940AP1955PLC000546

**CEMENT WORKS:**

Cement Nagar - 518 206  
Kurnool District, A.P.  
Telephone Nos.: 08516-274638  
Fax No.: 08516-274644  
Email: panyam1956@gmail.com

**PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED**

CIN: L26940AP1955PLC000546

**Registered Office:** 10/156, Betamcherla Road, Betamcherla, Cement Nagar,  
Kurnool-518 502, Andhra Pradesh, India.

**NOTICE**

The Hon'ble National Company Law Tribunal, Amravati Bench, ("**NCLT**"), had vide its order dated 14<sup>th</sup> May, 2020 admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of Corporate Debtor ("**Admission Order**") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("**Code**"). Further, the NCLT vide an order dated 14<sup>th</sup> May, 2020 has appointed Mr. Bhruvish Rameshchandra Amin (IBBI Registration no. IBBI/IPA-002/IP-N00353/2017-18/11003) as the Interim Resolution Professional ("**IRP**") for the Company, the Corporate Debtor ("**Insolvency Commencement Date**"). The admission order was published on 14<sup>th</sup> May, 2020, on which date the Resolution Professional has taken over the management and affairs of the Company. Pursuant to the publication of the admission order and in accordance with the provisions of the Code, the powers of the Board of Directors of the Company stand suspended and the same have been vested with and are being exercised by the Resolution Professional. Further, appointment as the Resolution Professional ("**RP**") was subsequently approved by the committee of creditors on 26<sup>th</sup> June, 2020. The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by Resolution Applicants vide Order dated 25<sup>th</sup> June, 2021. The Hon'ble NCLT, Amravati Bench has also approved the constitution and appointment of Mr. Bhruvish Amin as monitoring agent of Monitoring Committee until closing date to supervise implementation of the Resolution Plan.

Notice is hereby given that the 66<sup>th</sup> Annual General Meeting of the Members of Panyam Cements and Mineral Industries Limited will be held on Friday, the 30<sup>th</sup> day of September, 2022 at 3.30 P.M. IST, through Video Conference/ Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

**1. ADOPTION OF ACCOUNTS:**

To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the directors and auditors thereon and in this regard to pass the following resolution as an **Ordinary Resolution**.

**RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Directors and Auditors thereon be and is hereby received, considered, approved and adopted.

**2. RE-APPOINTMENT OF M/s. K.S. RAO & CO., CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors)

Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Implementation and Monitoring Committee and the Board of Directors of the Company, M/s. K.S. Rao and Co., Chartered Accountants, Hyderabad (ICAI Firm Registration No.003109S) be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 66<sup>th</sup> Annual General Meeting till the conclusion of the 71<sup>st</sup> Annual General Meeting to be held in the Financial year 2026-27 on such remuneration as may be decided by the Members of Implementation and Monitoring Committee in consultation with the Statutory Auditors of the Company."

**SPECIAL BUSINESS:**

**3. APPOINTMENT OF MR.PALANI THANGAVEL (DIN: 09448684) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Mr. Palani Thangavel (DIN: 09448684), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the company and liable to retire by rotation with effect from 17<sup>th</sup> January, 2022."

**4. APPOINTMENT OF MR.ARAVINDAN PALANI (DIN: 09448703) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Mr. Aravindan Palani (DIN: 09448703), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the company and liable to retire by rotation with effect from 17<sup>th</sup> January, 2022."



**5. APPOINTMENT OF MS. SAKTHI SRI DEVI (DIN: 09448634) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Ms. Sakthi Sri Devi (DIN: 09448634), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the company and liable to retire by rotation with effect from 17<sup>th</sup> January, 2022."

**6. APPOINTMENT OF DR.SRINISHA JAGATHRAKSHAKAN (DIN: 01728749) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Dr. Srinisha Jagathrakshakan (DIN: 01728749), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the company and liable to retire by rotation with effect from 25<sup>th</sup> April, 2022."

By Order of the Board of Directors

For **PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED**

**DIYA VENKATESAN**

Company Secretary & CFO

M.No: A55736

Date: 02<sup>nd</sup> September, 2022

Place: Cement Nagar

**Regd. Office:**

10/156, Betamcherla Road,  
Betamcherla, Cement Nagar,  
Kurnool-518502, Andhra Pradesh

#### Notes:-

1. This Annual General Meeting is convened through Video Conferencing ("VC")/Other Audio-Visual Means("OAVM") pursuant to General Circular number 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 20/20 dated 05.05.2020, 28/2020 dated 17.08.2020, 02/2021 dated 13.01.2021, 19/2021 dated 08.12.2021, 21/2021 dated 14.12.2021 and 02/2022 dated 05.05.2022 issued by the Ministry of Corporate Affairs (MCA) which allows the companies to hold the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 ("Act") read with the MCA and SEBI Circulars, the 66th Annual General Meeting of the Company is being conducted through Video Conferencing or Other Audio Visual Means ("VC /OAVM") (hereinafter referred to as "AGM" or "e-AGM"). In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the e-AGM.
3. **e-AGM:** The company has appointed M/s KFin Technologies Limited ("KFIN"), as the authorized agency to provide the VC/OAVM facility for conducting AGM electronically and for voting through remote e-voting or through e-voting at the e-AGM.
4. Pursuant to the provisions of the Act, normally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Further as per the MCA Circulars and SEBI Circular, the facility for appointment of proxies by the Members will not be available for the e-AGM.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/ Authorization should be sent electronically through their registered email address to the Scrutinizer at cs@bssandassociates.com with a copy marked to evoting@kfintech.com and Company's email id at panyam1956@gmail.com.
6. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the special business under Item No.3 to 6 of the accompanying Notice, is given in the **Annexure-1**. The IMC at its meeting held on 02<sup>nd</sup> September, 2022 considered all the special businesses mentioned in the notice of the AGM, as being unavoidable and, be transacted at the 66<sup>th</sup> AGM of the Company.
7. The relevant details required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment / re-appointment at this AGM are given in the **Annexure-2**.

8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is XL Softech Systems Limited having office at 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500 034.
9. **Attendance at the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at <https://evoting.kfintech.com> by clicking "e-AGM-Video Conference & streaming" and access the shareholders'/members' login by using the remote e-voting credentials which shall be provided as per Note No.20 below. Kindly refer to Note No.19 below for detailed instructions for participating in the e-AGM through video Conferencing.
10. The Members can join the e-AGM 15 minutes before the meeting or within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
11. As per the MCA Circular, facility of joining the e-AGM through VC/OAVM shall be available for 1000 members on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
12. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the Act).
13. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through KFin Technologies Limited. Kindly refer Note No.20 below for detailed instruction for remote-voting.
14. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through the e-voting system provided by KFin Technologies Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note No.21 below for instruction for e-voting during the AGM.
15. The Company has fixed 23<sup>rd</sup> September, 2022 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. 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 shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.
16. The Register of Members and Transfer Book of the Company will be closed from 24<sup>th</sup> September, 2022 to 30<sup>th</sup> September, 2022 (both days inclusive).
17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the e-AGM along with the Annual Report for the financial year ended on 31<sup>st</sup> March, 2022 is being sent only through electronic mode to those Members whose email

addresses are registered with the Company/ Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at <https://www.panyamcements.in>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The same is also available on the website of KFin Technologies Limited at their website address <https://evoting.kfintech.com>.

18. Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form).
  - i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
    - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
    - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, XL Softech Systems Limited by sending an e-mail request at the email Id [xlfield@gmail.com](mailto:xlfield@gmail.com) along with scanned copy of the duly signed request letter by first holder providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.
  - ii. Those members who have registered their e-mail address, mobile no., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting XL Softech Systems Limited, the Registrar and Share Transfer Agent of the Company, in case of shares held in physical form.
19. **Instructions to the Members for attending the e-AGM through Video Conference.**
  - i. **For Attending the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may login into its website link <https://emeetings.kfintech.com> by using the remote e-voting credentials. After logging in, click on "Video Conference" option and the Name of the Company can be selected.
  - ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-voting in Note No.20 below.
  - iii. Members are encouraged to join the Meeting through Desktops, Laptops, Smart phones, Tablets and iPads with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22 for better experience.
  - iv. Further, Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.

- v. Please note that participants using Mobile Devices or Tablets or Laptops or accessing the internet 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.
- vi. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.
- vii. **Submission of Questions / queries prior to e-AGM:**

Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company's investor email-id i.e., panyam1956@gmail.com mentioning their name, DP ID- Client ID/ Folio number at least 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members' questions will be answered only if they continue to hold the shares as of cut-off date.
- viii. **Speaker Registration before e-AGM:** In addition to above, speaker registration may also be allowed during the remote e-voting period. Shareholders who wish to register as speakers are requested to visit <https://emeetings.kfintech.com> and click on 'Speaker Registration' during this period. Shareholders shall be provided with a 'queue number' before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in note no. 19(vii) above.
- ix. Members who wish to inspect, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to panyam1956@gmail.com.

20. **Instructions for members for remote e-Voting:**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Limited ('remote e-voting'). Members attending the e-AGM who have not already cast their vote by remote e-voting shall be able to cast their vote electronically during the meeting (e-voting) when window for e-voting is activated upon instructions of the Chairman.

However, in pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / 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. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

- i. The remote e-voting facility will be available during the following period:
  - a. Day, date and time of commencement of remote e-voting 26<sup>th</sup> September, 2022 (9.00 A.M. IST) and ends on 29<sup>th</sup> September, 2022 (5.00 P.M. IST).
  - b. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed Thursday, 29<sup>th</sup> September, 2022 at 5:00 P.M.
- ii. Details of Website: <https://evoting.kfintech.com>.
- iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being 23<sup>rd</sup> September, 2022. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.
- iv. The Company is sending through email, the AGM Notice and the Annual Report to the shareholders whose name is recorded as on 02<sup>nd</sup> September, 2022 in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of the Company and becomes Member of the Company after 02<sup>nd</sup> September, 2022 being the date reckoned for sending through email, the AGM Notice & Annual Report and who holds shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2022 may obtain the User ID and password in the manner as mentioned below:
  - a. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD 'e-voting Event Number + Folio number or DP ID Client ID to +91-9212993399.  
Example for NSDL: MYEPWD <SPACE> IN12345612345678  
Example for CDSL: MYEPWD <SPACE> 1402345612345678  
Example for Physical: MYEPWD <SPACE> XXXX1234567890
  - b. If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. Member may call KFin's Toll free number 1-800-3094-001. Member may also send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com).
- v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Limited upon expiry of aforesaid period.
- vi. **Details of persons to be contacted for issues relating to e-voting:**  
Mr. S V Raju, Deputy Vice President - Corporate Registry, KFin Technologies Limited, Unit: Panyam Cements and Mineral Industries Limited, Selenium

Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032. Contact Toll Free No.: 1800-3094-001.

- vii. **Details of Scrutinizer:** Shri. S. Srikanth, Partner. Representing M/s.B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- viii. A Member can opt only for single mode of voting i.e., through remote e-voting or voting at the e-AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the e-AGM shall be treated as invalid.
- ix. The procedure and instructions for the remote e-voting facility for Individual shareholders holding securities in demat mode are provided as follows.

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <p><b>1. User already registered for IDeAS facility:</b> Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</p> <p><b>2. User not registered for IDeAS e-Services</b><br/>To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> Proceed with completing the required fields. Follow steps given in point 1</p> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b><br/>Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> Click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> |

|   |  |
|---|--|
|   | <p>Post successful authentication, you will be requested to select the name of the company and the e-voting Service Provider name, i.e.KFintech.</p> <p>On successful selection, you will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.</p>   |
| Individual Shareholders holding securities in demat mode with CDSL                          | <p><b>1. Existing user who have opted for Easi / Easiest</b><br/> Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a><br/> Click on New System Myeasi<br/> Login with your registered user id and password. The user will see the e-voting Menu. The Menu will have links of ESP i.e. KFintech e-voting portal.<br/> Click on e-voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/Easiest</b><br/> Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a><br/> Proceed with completing the required fields. Follow the steps given in point 1</p> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b><br/> Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a><br/> Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.<br/> After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e-voting is in progress.</p> |
| Individual Shareholder login through their demat accounts Website of Depository Participant | <p>You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility.<br/> Once logged-in, you will be able to see e-voting option.<br/> Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</p>  |



|  |  |
|--|--|
|  | Click on options available against company name or e-voting service provider - <b>KFintech</b> and you will be redirected to e-voting website of <b>KFintech</b> for casting your vote during the remote e-voting period without any further authentication. |
|--|--|

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

| Login type                | Helpdesk details  |
|---------------------------|---|
| Securities held with NSDL | Please 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             |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542/43 |

- ix. The procedure and instructions for remote e-voting facility for shareholders other than individual shareholders holding securities in demat mode and shareholders holding shares in physical mode are provided as follows:
- a. Open your web browser during the remote e-voting period and navigate to '<https://evoting.kfintech.com>'.
  - b. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. or DP ID /Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
  - c. After entering these details appropriately, click on "LOGIN".  
You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - d. You need to login again with the new credentials.
  - e. On successful login, the system will prompt you to select the e-voting Event Number for Panyam Cements and Mineral Industries Limited.
  - f. If you are holding shares in Demat form and had logged on to <https://evoting.kfintech.com> and casted your vote earlier for any other Company, then your existing login id and password are to be used.

- g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 23<sup>rd</sup> September, 2022 under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut- off date.
- h. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- i. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- j. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- k. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
- l. During the voting period, Members can login any number of times till they cast their vote on the Resolution(s).
- m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: cs@bssandassociates.com with a copy to evoting@kfintech.com and panyam1956@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."  

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available at the download section of <https://evoting.kfintech.com> or contact Mr. S V Raju, Deputy Vice President of KFin Technologies Limited at 1800-3094 001 (toll free).
- n. The Scrutinizer's decision on the validity of the vote shall be final.
- o. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the e-AGM, however such Member shall not be allowed to vote again during the e-AGM.
- p. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than two working days of conclusion of the e-AGM to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

- q. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e. [www.panyamcements.in](http://www.panyamcements.in) and on the website of KFin Technologies Limited i.e. <https://evoting.kfintech.com>. The results shall simultaneously be communicated to BSE Limited, where the shares of the Company are listed. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
- r. The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the e-AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

**21. Instructions for members for Voting during the e-AGM session**

- i. The e-voting window shall be activated upon instructions of the Chairman of the meeting during the e-AGM.
- ii. e-voting during the AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
- iii. Members / shareholders, attending the e-AGM through Video Conference, who have not cast their vote on resolutions through Remote e-voting alone shall be eligible to cast their vote through e-voting system available during the e-AGM.
- iv. Members who have voted through Remote e-voting will be eligible to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

**GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS**

22. As per the Central Board of Direct Taxes (CBDT), it is mandatory to link PAN with Aadhaar number by March 31, 2022. Post March 31, 2022 or any other date as may be specified by the CBDT, RTAs shall accept only valid PANs and the ones which are linked to the Aadhar number. The folios in which PAN is / are not valid as on the notified cut-off date of March, 31, 2022 or any other date as may be specified by the CBDT, shall also be frozen.

23. Updation of Members' details: Pursuant to the SEBI Circular No(s). SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/23 dated February 24, 2022 and SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July 23, 2021, Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, KYC details, Nomination details, bank mandate details for payment of dividend etc. Members holding shares in physical form are requested to furnish the above details to the Company or XL Softech Systems Limited, its Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to furnish the details to their respective DP.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to XL Softech Systems Limited.

Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing

Service (NECS) / Electronic Clearing Service (ECS), they should update their NECS / ECS details with the Company's Registrar and Share Transfer Agents i.e., XL Softech Systems Limited (for the shares held in physical form) and their respective Depository Participants (for the shares held in electronic form).

Members who are holding the shares in physical form are requested to execute the ISR Form-1 & ISR Form-2 to update the changes, if any, in their registered address, signature, contact details, Bank Mandate etc., and to update their PAN number, Phone number, Email address, demat account details etc., and send to the Company's Registrar and Share Transfer Agents indicating their Folio number therein at the address mentioned in Note No. 8.

Members can execute the Form No. SH-13, Form ISR-3 & Form No. SH-14 in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 03, 2021 for registration of nomination, declaration Form for opting-out of Nomination and cancellation or variation of nomination respectively and send to the Company's Registrar and Share Transfer Agent indicating their Folio number therein at the address mentioned in Note No. 8.

Members holding shares in electronic form are therefore, requested to furnish their details to their respective Depository Participant ("DP") with whom they are maintaining their demat accounts for updating their PAN, KYC details, Nomination and Bank mandate details etc.

24. The members / investors may send their complaints/queries, if any to the Company's Registrar and Share Transfer Agents' e-mail id: xlfield@gmail.com or to the Company's official e-mail id: panyam1956@gmail.com.
25. Members seeking any information/documents referred to in the Notice and the Explanatory statement and with regard to the accounts or any other matter to be placed at the AGM are available for inspection up to the date of AGM and members are also requested to write to the Company on or before 23<sup>rd</sup> September, 2022 through email to panyam1956@gmail.com in for seeking information, if any, the same will be replied by the Company suitably.
26. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/ P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.
27. To enhance ease of dealing in securities markets by investors, SEBI has decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated January 24, 2022) while processing the service request mentioned in the above notification (viz., Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Transmission and Transposition etc). In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. The Members who are desirous to convert their physical holdings into

- dematerialized form, may contact the Depository Participant of their choice for dematerializing the same. Members may also contact the Company or its Registrars and Transfer Agents, XL Softech Systems Limited for assistance in this regard.
28. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  29. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
  30. Members may note that the Annual Report for the year 2021-2022 is also available on the Company's website [www.panyamcements.in](http://www.panyamcements.in) for their download.
  31. 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 shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.
  32. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e- AGM.
  33. During the 66<sup>th</sup> AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the e-AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the AGM.
  34. The transcript of this meeting, shall be made available on the website of the company.
  35. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.panyamcements.in](http://www.panyamcements.in) and on the website of KFin Technologies Limited immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai, where the shares of the Company are listed.
  36. Since the AGM will be held through VC / OAVM, the Route Map, proxy form and attendance slip are not annexed to this Notice.

By Order of the Board of Directors

For **PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED**

Date: 02<sup>nd</sup> September, 2022  
Place: Cement Nagar

**DIYA VENKATESAN**  
Company Secretary & CFO  
M.No: A55736

**Regd. Office:**  
10/156, Betamcherla Road,  
Betamcherla, Cement Nagar,  
Kurnool-518502, Andhra Pradesh

## Annexure to the Notice of the 66<sup>th</sup> Annual General Meeting

### Annexure 1

#### Statement pursuant to Section 102(1) of the Companies Act, 2013

As required by Section 102 of the companies Act, 2013("Act"), the following Explanatory sets out all material facts relating to the business mentioned under Item 2 to 6 of the accompanying Notice dated 02<sup>nd</sup> September, 2022.

#### On Item No. 2

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

M/s. K S RAO & CO, Chartered Accountants, the present statutory auditors of the company will be holding their office till the conclusion of the 66<sup>th</sup> Annual General Meeting of the company and completing their term as auditors, pursuant to Section 139 of the Companies Act 2013, and the rules made thereunder.

Based on the recommendations of the Implementation and Monitoring Committee, based on the market standing, technical knowledge and clients served by it, has considered the re-appointment of M/s. K S RAO & CO, Chartered Accountants (ICAI Firm Registration Number 003109S) as the statutory auditors of the Company, for a term of further five consecutive years, commencing from the conclusion of the 66<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 71<sup>st</sup> Annual General Meeting to be held in the year 2027.

Disclosure under Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

|   |                      |   |
|---|----------------------|---|
| 1 | Proposed Fee Payable | Rs.5 Lakhs p.a. plus applicable taxes and out of pocket expenses for the F.Y. 2022-23.  |
| 2 | Terms of appointment | M/s. K S RAO & CO, Chartered Accountants (ICAI Firm Registration Number 003109S) will hold office for a term of five consecutive years, commencing from the conclusion of the 66 <sup>th</sup> Annual General Meeting of the Company till the conclusion of the 71 <sup>st</sup> Annual General Meeting to conduct the audit of accounts of the Company for the financial years 2022-23 to 2026-27. |

M/s. K S RAO & CO, Chartered Accountants has given their consent and confirmed their eligibility for appointment as auditors of the company. The Board and IMC recommends the Ordinary Resolution set out at Item No.2 of the Notice for approval by the Members.

None of the Directors or the Key Managerial Personnel (KMP) of the company or the relatives of Directors and KMPs is concerned or interested, financially or otherwise in the Resolution proposed in Item No.2.

### **On Item No. 3**

In terms of Sections 149, 150, 152 of the Companies Act, 2013 ('the Act') and other applicable provisions of the said Act and under applicable Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') or any amendment thereto or modification thereof, based on the recommendations made by the Implementation and Monitoring Committee and subject to the approval of the shareholders, the Board of Directors has appointed Mr. Palani Thangavel (DIN: 09448684), as Non-Executive Director with effect from 17<sup>th</sup> January, 2022.

The Company has received from the above director (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ('Appointment Rules') and (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Act. The Company has received a notice under Section 160 of the Act proposing his appointment as a Director of the Company.

A brief profile of Mr. Palani Thangavel is given in Annexure 2, forming part of the Notice. Keeping in view his expertise and knowledge, it would be in the interest of the company, to approve his appointment as a director.

As the Resolution is for the appointment of Mr. Palani Thangavel as a Director, to that extent he may be deemed to be interested in the resolution.

None of the other directors or Key Managerial Personnel (KMP) of the company or the relatives of Directors and KMPs is, in any way, concerned or interested, financially or otherwise, in the Resolution. Your Directors commend the resolution for approval of the shareholders.

### **On Item No. 4**

In terms of Sections 149, 150, 152 of the Companies Act, 2013 ('the Act') and other applicable provisions of the said Act and under applicable Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') or any amendment thereto or modification thereof, based on the recommendations made by the Implementation and Monitoring Committee and subject to the approval of the shareholders, the Board of Directors has appointed Mr. Aravindan Palani (DIN: 09448703), as Non-Executive Director with effect from 17<sup>th</sup> January, 2022.

The Company has received from the above director (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ('Appointment Rules') and (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Act. The Company has received a notice under Section 160 of the Act proposing his appointment as a Director of the Company.

A brief profile of Mr. Aravindan Palani is given in Annexure 2, forming part of the Notice. Keeping in view his expertise and knowledge, it would be in the interest of the company, to approve his appointment as a director.

As the Resolution is for the appointment of Mr. Aravindan Palani as a Director, to that extent he may be deemed to be interested in the resolution.

None of the other directors or Key Managerial Personnel (KMP) of the company or the relatives of Directors and KMPs is, in any way, concerned or interested, financially or otherwise, in the Resolution. Your Directors commend the resolution for approval of the shareholders.

**On Item No. 5**

In terms of Sections 149, 150, 152 of the Companies Act, 2013 ('the Act') and other applicable provisions of the said Act and under applicable Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') or any amendment thereto or modification thereof, based on the recommendations made by the Implementation and Monitoring Committee and subject to the approval of the shareholders, the Board of Directors has appointed Ms. Sakthi Sri Devi (DIN: 09448634), as Non-Executive Director with effect from 17<sup>th</sup> January, 2022.

The Company has received from the above director (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ('Appointment Rules') and (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Act. The Company has received a notice under Section 160 of the Act proposing her appointment as a Director of the Company.

A brief profile of Ms. Sakthi Sri Devi is given in Annexure 2, forming part of the Notice. Keeping in view her expertise and knowledge, it would be in the interest of the company, to approve her appointment as a director.

As the Resolution is for the appointment of Ms. Sakthi Sri Devi as a Director, to that extent she may be deemed to be interested in the resolution.

None of the other directors or Key Managerial Personnel (KMP) of the company or the relatives of Directors and KMPs is, in any way, concerned or interested, financially or otherwise, in the Resolution. Your Directors commend the resolution for approval of the shareholders.

**On Item No. 6**

In terms of Sections 149, 150, 152 of the Companies Act, 2013 ('the Act') and other applicable provisions of the said Act and under applicable Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') or any amendment thereto or modification thereof, based on the recommendations made by the Implementation and Monitoring Committee and subject to the approval of the shareholders, the Board of Directors has appointed Dr. Srinisha Jagathrakshakan (DIN: 01728749), as Non-Executive Director with effect from 25<sup>th</sup> April, 2022.

The Company has received from the above director (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ('Appointment Rules') and (ii) intimation in



Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Act. The Company has received a notice under Section 160 of the Act proposing her appointment as a Director of the Company.

A brief profile of Dr. Srinisha Jagathrakshakan is given in Annexure 2, forming part of the Notice. Keeping in view her expertise and knowledge, it would be in the interest of the company, to approve her appointment as a director.

As the Resolution is for the appointment of Ms. Sakthi Sri Devi as a Director, to that extent she may be deemed to be interested in the resolution.

None of the other directors or Key Managerial Personnel (KMP) of the company or the relatives of Directors and KMPs is, in any way, concerned or interested, financially or otherwise, in the Resolution. Your Directors commend the resolution for approval of the shareholders.

By Order of the Board of Directors

For **PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED**

**DIYA VENKATESAN**

Company Secretary & CFO

M.No: A55736

Date: 02<sup>nd</sup> September, 2022

Place: Cement Nagar

**Regd. Office:**

10/156, Betamcherla Road,  
Betamcherla, Cement Nagar,  
Kurnool-518502, Andhra Pradesh

**Annexure 2**  
**(Pursuant to Regulation 26(4) and 36(3) of SEBI Listing Obligations and Disclosure Requirements Regulations 2015 and Secretarial Standard-2)**

**Details of Directors seeking appointment/re-appointment at the Annual General Meeting**

| S. No. | Particulars   | Name of the Director  |  |   |   |
|--------|---|---|--|---|---|
|        |   | Mr. Palani Thangavel  | Mr. Aravindan Palani   | Dr. Sakthi Sri Devi   | Dr. Srinisha Jagathrakshakan                                      |
| 1      | DIN   | 09448684  | 09448703   | 09448634  | 01728749  |
| 2      | Date of birth   | 14/06/1955  | 26/04/1990   | 29/07/1996  | 09/04/1975  |
| 3      | Age   | 67 years  | 32 years   | 26 years  | 47 years  |
| 4      | Qualification   | Graduate  | MBA  | MBBS  | MBBS  |
| 5      | Experience in Specific functional areas   | Politician and Social Worker  | Business   | Doctor  | Doctor  |
| 6      | Brief Resume  | Is an active political person and social worker with more than 35 years of experience | Is an MBA graduate with business experience of 5 years                           | Doctor by Profession with 2 years of experience                                   | Doctor by Profession with 20 years of experience                  |
| 7      | Nature of Appointment   | To appoint as Non-Executive Director liable to retire by rotation                     | To appoint as Non-Executive Director liable to retire by rotation                | To appoint as Non-Executive Director liable to retire by rotation                 | To appoint as Non-Executive Director liable to retire by rotation |
| 8      | Terms and Conditions of appointment/ re-appointment   | Appointment as Non-Executive Director   | Appointment as Non-Executive Director  | Appointment as Non-Executive Director   | Appointment as Non-Executive Director                             |
| 9      | Date of first appointment on the Board  | 17.01.2022  | 17.01.2022   | 17.01.2022  | 25.04.2022  |
| 10     | Directorships in other public Companies except foreign companies under Section 8 of the Companies Act, 2013 | Nil   | Nil  | Nil   | 1   |
| 11     | Membership of Audit / Shareholders / Investors Grievances Committees of other Public Limited Companies      | Nil   | Nil  | Nil   | Nil   |
| 12     | Shareholding in the Company (including shareholding as a beneficial owner)                                  | Nil   | Nil  | Nil   | Nil   |
| 13     | Number of Board Meetings attended   | NA  | NA   | NA  | NA  |
| 14     | Details of Remuneration last drawn  | -   | -  | -   | -   |
| 15     | Inter-se relationship with other directors, Managers Other Key managerial Personnel of the company          | Related to Mr. Aravindan Palani and Dr. Sakthi Sri Devi, Non-Executive Directors      | Related to Mr. Palani Thangavel and Dr. Sakthi Sri Devi, Non-Executive Directors | Related to Mr. Aravindan Palani and Mr. Palani Thangavel, Non-Executive Directors | Nil   |

|    |  |                                  |  |                                  |                                  |
|----|--|----------------------------------|--|----------------------------------|----------------------------------|
| 16 | Name of the other listed entities in which person holds the directorship and the membership of committees of the Board along with listed entities from which the person has resigned in the past three years | Nil                              | Nil  | Nil                              | Nil                              |
| 17 | Skills and capabilities required for the role and the manner in which the proposed person meets such requirements  | Management and Leadership skills | Management and Leadership skills with Financial background | Management and Leadership skills | Management and Leadership skills |

## DIRECTORS' REPORT

To

Dear Members

The Board of Directors with the authorization of Resolution Professional (**RP**) of the Company presents to the Members, the 66<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

### SALIENT FEATURES OF THE REPORT

The National Company Law Tribunal, Amravati Bench ("**NCLT**"), by its order dated 14<sup>th</sup> May, 2020 ("**Admission Order**"), has ordered the commencement of CIRP in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**"). Pursuant to the Admission Order and in accordance with Section 16 of the Code, Mr. Bhrugesh Amin was appointed as an Interim Resolution Professional ("**IRP**"), and the appointment as Resolution Professional ("**RP**") was subsequently approved by the Committee of Creditors of the Company on 26<sup>th</sup> June, 2020. The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by Resolution Applicants vide Order dated 25<sup>th</sup> June, 2021. The Hon'ble NCLT, Amravati Bench has also approved the constitution and appointment of Mr. Bhrugesh Amin as monitoring agent of Monitoring Committee until closing date to supervise implementation of the Resolution Plan.

### FINANCIAL RESULTS

(Rs. in Lakhs)

| Particulars   | Year ended<br>March 31,<br>2022 | Year ended<br>March 31,<br>2021 |
|---|---------------------------------|---------------------------------|
| Revenue from Operations                                 | -                               | -                               |
| Other Income  | 28,381.70                       | 183.92                          |
| Total Revenue   | <b>28,381.70</b>                | <b>183.92</b>                   |
| Profit before Interest and Depreciation                 | 21,246.30                       | (449.12)                        |
| Less: Interest and Finance charges                      | -                               | 1,134.94                        |
| Less: Depreciation and Amortisation                     | 437.68                          | 514.42                          |
| Profit / (Loss) before Exceptional Items and Tax        | <b>20,808.62</b>                | <b>(2,098.47)</b>               |
| Add Exceptional Items on transfer of Wire Division Land | -                               | -                               |
| Property under Joint Development Agreement              | -                               | -                               |
| Profit / (Loss) before tax                              | <b>19,959.17</b>                | <b>(2,098.47)</b>               |
| Less Provision for Income Tax (Earlier years)           | (315.57)                        | -                               |
| Net Profit/(Loss) after tax                             | <b>20,274.74</b>                | <b>(2,098.47)</b>               |
| Net Gains /(Loss) on FVTOCI equity securities           | 1.28                            | 0.61                            |
| Total Comprehensive Income for the period (TCI)         | <b>20,276.02</b>                | <b>(2,097.86)</b>               |

### OPERATIONS:

The Total Income for the year ended March 31, 2022 was Rs. 20,276.02 Lakhs as against Loss of Rs. 2,097.86 Lakhs during the previous year ended March 31, 2021. Profit Before

Tax was Rs.19,959.17 Lakhs as against Loss of Rs. 2,098.47 Lakhs in the previous year. Profit After Tax was Rs. 20,274.74 Lakhs as against Loss of Rs. 2,098.47 Lakhs in the previous year. The company started its grinding operations from 8<sup>th</sup> May, 2022.

**DIVIDEND:**

Your Directors regret their inability to recommend any dividend on Equity Shares in view of the carry forward losses.

**FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposit during the year and there are no fixed deposits outstanding as on 31<sup>st</sup> March, 2022.

**INSURANCE:**

The assets of the Company are adequately insured.

**INDUSTRIAL RELATIONS:**

Company's Industrial Relations continue to be harmonious and cordial.

**EMPLOYEES:**

Your Directors wish to place on record their sincere appreciation of the whole-hearted co-operation extended and the valuable contribution made by the employees at all levels.

**AUDITORS:**

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No: 003109S) had been Re-appointed as Statutory Auditors of your Company for another term of five years from the conclusion of the 66<sup>th</sup> Annual General Meeting till the conclusion of the 71<sup>st</sup> Annual General Meeting to be held in 2026-27. In terms of the provisions of the Act, your approval to their Re-appointment as Statutory Auditors of your Company is being sought at the ensuing AGM and forms part of the Notice convening the AGM. The said Statutory Auditors have confirmed that they are not disqualified to act as Auditor and are eligible to hold office as Auditors of your Company.

**AUDITOR'S REPORT:**

The auditors' report on the financial statements of the company which is part of this report does not contain any qualifications, reservations or any adverse remarks.

**COST AUDIT:**

Cost Audit will not be applicable from the financial year 2021-22, since the turnover of the company during the last financial year is below the statutory threshold as prescribed under the respective provisions of the Companies Act, 2013 and Cost Audit rules made there under.

**SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Resolution Professional (RP) has appointed M/s. B S S & Associates, Hyderabad, Practicing Company Secretaries to

conduct Secretarial Audit for the FY 2021-22. The Secretarial Audit Report for the financial year ended March 31<sup>st</sup> 2022, is annexed to this Report as **Annexure I**. The qualification/ remarks made in the Secretarial Audit Report are self-explanatory.

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out in the **Annexure II** and forms part of the report.

#### **DIRECTORS:**

The Board is suspended with effect 14<sup>th</sup> May, 2020 as per the orders of NCLT. Subsequently, Mrs. Aravinda Rani, Women Director resigned w.e.f. 28<sup>th</sup> February, 2021. The NCLT vide its order No. 187/7 (AMR)/2019 dated 14<sup>th</sup> May, 2020 while admitting the petition has appointed Mr. Bhruvish Rameshchandra Amin as Interim Resolution Professional. The company has appointed Mr. Palani Thangavel, Mr. Aravindan Palani and Ms. Sakthi Sri Devi as Non-Executive Directors w.e.f. 17<sup>th</sup> January, 2022 and Dr. Srinisha Jagathrakshakan as Non-Executive Director w.e.f. 25<sup>th</sup> April, 2022 with the approval of IMC Members.

#### **INDEPENDENT DIRECTORS**

The Company is in the process of appointing independent directors.

#### **BOARD EVALUATION:**

Since the powers of the Board of Directors have been suspended w.e.f. 14<sup>th</sup> May, 2020 pursuant to the orders of Hon'ble National Company Law Tribunal (NCLT), Amravati Bench, dated 14<sup>th</sup> May, 2020, evaluation of the Board has not taken place.

#### **CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and at an arm's length basis. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. Please refer to Form No. AOC-2 in **Annexure III** for the details of related party contracts or arrangements.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company is not having any Subsidiaries and Joint Ventures and Associate Companies.

#### **VIGIL MECHANISM:**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics and Compliance Task Force comprising Senior Executives of the Company, protected disclosures can be made by a whistle blower through an e mail or a letter to the Task Force or to the Chairman of the Audit Committee.

The Policy on Vigil Mechanism and whistle blower policy may be accessed on the company's web site at the link <http://www.panyamcements.in>.

**KMP'S OTHER THAN DIRECTORS:**

As of 31<sup>st</sup> March, 2022, in accordance with the provisions of the Companies Act, 2013 and Listing Agreement with the Stock Exchange, Ms. Diya Venkatesan, Company Secretary and Chief Financial Officer has been designated as the KMP of the Company.

**MEETINGS OF THE BOARD:**

Since the powers of the Board stood suspended with effect from 14<sup>th</sup> May, 2020 i.e. the date of commencement of the Corporate Insolvency Resolution Process ("CIRP") and continued to remain so for the period under review. However, the Board took active participation in below Implementation and Monitoring Committee (IMC) Meetings held.

| S.No | IMC Meeting Dates |
|------|-------------------|
| 1    | 06.07.2021        |
| 2    | 19.07.2021        |
| 3    | 21.07.2021        |
| 4    | 23.07.2021        |
| 5    | 28.07.2021        |
| 6    | 16.03.2022        |

The roles and responsibilities of the Board and the committees were fulfilled by the Resolution Professional, Mr. Bhruvish Rameshchandra Amin, in accordance with the provisions of the section 23 of the Insolvency Bankruptcy Code, 2016.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As your Company has been incurring losses the conditions contained in Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are no longer applicable. Hence, there is no requirement with respect to compliance of the said section 135.

**CORPORATE GOVERNANCE:**

Your Directors reaffirm their continued commitment to good corporate governance practices. A separate report on Corporate Governance is incorporated as **Annexure IV** as a part of the Directors' Report. Further as a part of the report, "Management Discussion and Analysis" has also been furnished.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 of the company for the period;

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has no such cases of sexual harassment at workplace.

**LISTING AGREEMENT:**

The Securities and Exchange Board of India (SEBI), on 2<sup>nd</sup> September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforce ability. The said regulations were effective 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 months from the effective date. The Company entered into Listing Agreement with BSE Limited on 29<sup>th</sup> February, 2016 wherein the Equity Shares and Non-Convertible Bonds issued by the Company are listed.

The Equity shares/Non-Convertible Debentures of the Company are listed on the BSE Limited and consequently, the trading of shares on BSE was suspended.

**RISK MANAGEMENT**

A Special Team with Senior Executives has been formed which has been entrusted with the responsibility to assist the Managing Director in (a) Over seeking and approving the Company's enterprise risk management frame work, and (b) Overseeing that all the risks that the operation faces such as strategic, financial, credit market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The Company manages monitors and reports on the principal risks and uncertainties that can impact Its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management and business the Company.



The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal controls, Management and Assurance frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across country wide Risk Management, Internal Control and Internal Auditor methodologies and processes.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

Since the powers of the Board of Directors have been suspended w.e.f. 14<sup>th</sup> May, 2020 pursuant to the orders of Hon'ble National Company Law Tribunal (NCLT), Amaravati Bench, Resolution Professional continue to monitor the affairs of the Company through its Implementation and Monitoring Committee. The policy's relating to Directors appointment, fixing remuneration and discharge of duties will be placed before IMC members and approved.

**INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There were no material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the Financial statements relate and the date of the report.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**ANNUAL RETURN:**

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2022, is available on the Company's website and can be accessed at [www.panyamcements.in](http://www.panyamcements.in).

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include demand supply conditions, finished goods prices, cyclical

demand and pricing in your Company's principal markets, change in Government regulations, tax regimes, economic developments within India in which your company conducts business and other factors such as litigation and labour negotiations. Your company is not obliged to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

**ACKNOWLEDGEMENTS:**

The Management of the Company would like to express their sincere appreciation for the cooperation and assistance received from shareholders, bankers, financial institutions, regulatory bodies and other business constituents during the year under review. The Management of the Company also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff of the Company during the financial year.

By Order of the Board of Directors  
For **Panyam Cements and Mineral Industries Ltd**

Place: Cement Nagar  
Date: 02<sup>nd</sup> September, 2022

|                           |                           |
|---------------------------|---------------------------|
| <b>(PALANI THANGAVEL)</b> | <b>(ARAVINDAN PALANI)</b> |
| Director                  | Director                  |
| DIN: 09448684             | DIN: 09448703             |

**Form No. MR-3**

**Secretarial Audit Report**

For the Financial Year ended on March 31, 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,  
Panyam Cements and Mineral Industries Limited  
10/156, Betamcherla Road, Betamcherla,  
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Panyam Cements and Mineral Industries Limited [CIN:L26940AP1955PLC000546] (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the available documents and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined available documents and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ The Securities and Exchange Board of India (Share Based

- Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Financial Year under review)
- e. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008; (Not applicable to the Company during the Financial Year under review)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Financial Year under review)
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/ Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Financial Year under review)
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/ Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (Not applicable to the Company during the Financial Year under review) and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6) Management has identified and confirmed the following laws as being specifically applicable to the company:
- i. Cement Cess Rules, 1993;
  - ii. Cement (Quality Control) Order, 1995;
  - iii. Environmental (Protection) Act, 1986 Read with Environmental Protection Rules, 1986;
  - iv. The Hazardous Wastes (Managements Handling and Transboundry Movement) Rules, 2008;
  - v. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;
  - vi. Water (Prevention & Control of Pollution) Cess Act, 1977;
  - vii. The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
  - viii. The Noise Pollution (Regulation And Control) Rules, 2000;
  - ix. Mines Act, 1952 and Rules issued thereunder;
  - x. Mines and Mineral (Regulation and Development) Act, 1957;
  - xi. The Electricity Act, 2003;
  - xii. Explosives Act, 1884; and
  - xiii. Indian Boilers Act, 1923.

We have also examined compliance with the applicable Clauses/ Regulations of the following.

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India;

- (ii) The Listing agreement entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except in respect of matters specified below.

It may be noted that as per the provisions of IBC Code and provisions of Regulation 15 (2A) and (2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI (LODR)) as amended from time to time, the provisions specified in regulation 17, 18, 19, 20, 21 shall not be applicable during the CIRP. The conditions as specified in said regulations of the SEBI (LODR) shall not be useful during the CIRP and the roles and responsibilities of the Board of Directors and the Committees, specified in the respective regulations, shall be fulfilled by the Interim Resolution Professional or Resolution Professional, as the case may be.

- i. We observed the following non-compliances during the period under review;

| Compliance Requirement<br>(Regulations / circulars / guidelines<br>including specific clause)  | Non compliance  |
|--|---|
| Regulation 6(1) of SEBI (LODR) Regulations, 2015- A listed entity shall appoint a qualified company secretary as the compliance officer. | The Company has not appointed Qualified Company Secretary and compliance officer from 01.04.2021 to 07.11.2021. However, Ms. Diya Venkatesan was appointed as Company Secretary and Compliance Officer on 08.11.2021.                     |
| Regulation 7(3) of SEBI (LODR) Regulations, 2015   | The Company has not submitted the certificate under the provision of Regulation 7 (3) of LODR Regulations, 2015 for the financial year 31.03.2021.  |
| Regulation 9 of SEBI (LODR) Regulations, 2015  | The listed entity has not complied under the provision of Regulation 9 of LODR Regulations, 2015  |
| Regulation 17 of SEBI (LODR) Regulations, 2015   | Mrs.V. Aravinda Rani resigned from the Board of the Company w.e.f. 28 <sup>th</sup> February, 2021 and the vacancy of Women Director remain vacant up to 17 <sup>th</sup> January, 2022. Eform DIR 12 has not been filed for resignation. |
| Regulation 23 (9) of SEBI (LODR) Regulations, 2015   | The listed entity has not submitted disclosure of related party transactions for the half year ended on September 30, 2021 and March 31, 2022   |

|   |  |
|---|--|
| Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015                                    | The listed entity has not submitted Audited Financial results along with Audit report for the quarter and year ended March, 2021.  |
| Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015                                    | The listed entity has delayed in submitting Unaudited Financial results for the quarter ended on June 30, 2021, September 30, 2021 and December 31, 2021. Submitted to BSE on 15.06.2022.  |
| Regulation 34 of SEBI (LODR) Regulations, 2015  | The listed entity has not submitted Annual Report for the Financial Year 2020-21 to BSE in XBRL mode.  |
| Regulation 40(9) of SEBI (LODR) Regulations, 2015                                       | Non filing of Certificate under Regulation 40(9) of SEBI LODR Regulation, 2015 for the year ended March, 2021.   |
| Regulation 30 of SEBI (LODR) Regulations, 2015  | No newspaper publications are submitted to BSE   |
| Regulation 46 of SEBI (LODR) Regulations, 2015  | The Company is maintaining the functional website, but, certain disclosures are not disseminated   |
| SEBI circular no.SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018                    | The listed entity has not confirmed that not identified as a Large Corporate.  |
| Regulation 17 (1C) of SEBI (LODR) Regulations, 2015                                     | The Company has appointed Mr. Palani Thangavel, Mr. Aravindan Palani and Ms. Sakthi Sri Devi on 17.01.2022 and Dr. Srinisha Jagathrakshakan on 25.04.2022 as Additional Directors. However, It has not taken approval of shareholders within a time period of three months from the date of appointment. |
| Section 203 of the Companies Act, 2013. The company is required to be appointed as CFO. | The Company has not appointed Chief Financial Officer from 01.04.2021 to 11.11.2021. However, Ms Diya Venkatesan was appointed as Chief Financial Officer on 12.11.2021.   |
| Section 179 (3) of the Companies Act, 2013.   | The company has not filed eform MGT 14 for approval of Board's Report for the year 2020-2021.  |

- ii. No documents, data or other requisite documents / information's / details / records were available for our verification and accordingly we cannot comment on the compliance status of the company with the provisions of the following Rules and Regulations;
1. SEBI (Prohibition of Insider Trading) Regulations, 2015;
  2. SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  3. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  4. SEBI (Depositories and Participants) Regulations, 2018;
  5. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**Panyam Cements and Mineral Industries Limited** is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Amravati Bench with effect from 14<sup>th</sup> May, 2020. Its affairs, business and assets are being managed by the Resolution Professional Mr. Bhrugeth Amin (IBBI Registration no. IBBI/IPA-002/IPN00353/2017-18/11003) appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May, 2020 and is appointment as Resolution Professional continued by the Committee of Creditors in its Meeting held on 26<sup>th</sup> June, 2020 under provisions of the Code.

The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by RV Consulting Services Private Limited and Sagar Power Limited as joint bidders vide Order dated June 25, 2021, read with revised order dated July 10, 2021. The Hon'ble NCLT, Amravati Bench has also approved the constitution and appointment of Mr. Bhrugeth Amin as monitoring agent of Implementation and Monitoring Committee until closing date to supervise implementation of the Resolution Plan.

As per NCLT, Amravati Bench, order dated 10<sup>th</sup> July, 2021, the entire share capital held by erstwhile promoters in the Company has been cancelled and existing share capital has been reduced in such a manner that post capital reduction, the Number of shares held by public shareholders shall be 5% of total paid up equity capital (post preferential issue of equity shares to Resolution Applicants). The Company has applied for issue and allotment of 76,20,330 equity shares on preferential basis under Regulation 28(1) of the SEBI (LODR) Regulation, 2015 to BSE on 13.08.2021. Approval is awaited from BSE.

The company reduced its capital, and such reduction have been confirmed by an order dated.10.07.2021 of the Hon'ble National Company Law Tribunal, Amravati Bench, at Hyderabad passed in Petition number C.P. No. (IB) 187/7/AMR/2019.

As per NCLT, Amravati Bench, order 10th July, 2021, the resolution applicants hold 76,20,330 (95%) and public shareholders 4,01,071 (5%). Post capital reduction shareholding is not updated in BSE records.

On 01.03.2017, the company has allotted 8,43,060 Equity Shares of Rs.10/- each upon conversion of warrants. The application for listing approval for 8,43,060 equity shares of Rs.10/- each is pending with BSE.

There are no Statutory Registers, Minutes and other documents under companies Act, 2013 are available.

We further report that we are unable to report that Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that the compliance of applicable Labour laws and financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the other designated professionals.

We further report that, during the audit period no event has occurred during the year which has a major bearing on the Company's affairs.

For **B S S & Associates**  
Company Secretaries

**S.Srikanth**

Partner

ACS:22119; CoP:7999

UDIN: A022119D000897477

Place: Hyderabad

Date: 02.09.2022

This Report is to be read with our letter of even date which is annexed as Annexure A forming integral part of this report.



**Annexure- A**

To,

The Members,  
Panyam Cements And Mineral Industries Limited,  
10/156, Betamcherla Road, Betamcherla,  
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **B S S & Associates**  
Company Secretaries

**S.Srikanth**  
Partner

ACS:22119; CoP:7999  
UDIN:A022119D000897477

Place: Hyderabad

Date: 02.09.2022

## ANNEXURE II

### ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022:

#### A. Conservation of Energy:

(a) **Energy conservation measures taken:**

Does not arise since the plant is not in operation from December 2018.

(b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**

Does not arise since the plant is not in operation from December 2018.

(c) **Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production:**

Does not arise since the plant is not in operation from December 2018.

(d) **Total energy consumption per unit of production:**

Particulars given in Form "A" annexed.

#### B. Technology Absorption:

Particulars given in Form "B" annexed.

#### C. Foreign Exchange Earnings and Out go:

(a) No Activities relating to exports, initiatives taken since the plant is not in operation from December 2018.

No exports were made during the year under review.

(b) Total foreign exchange used: Nil

(c) Total Foreign Exchange earned Nil

**FORM 'A'**  
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO**  
**CONSERVATION OF ENERGY**

| S. No.   | Particulars                                  | Unit                 | Cement Division |            |
|----------|--|----------------------|-----------------|------------|
|          |  |                      | 31-03-2022      | 31-03-2021 |
| <b>A</b> | <b>Power and fuel consumption:</b>           |                      |                 |            |
| <b>1</b> | <b>Electricity</b>                           |                      |                 |            |
| a)       | Purchased                                    |                      |                 |            |
|          | Units  | 000KWH               | -               | -          |
|          | Total amount                                 | Rs. in Lakhs         | -               | -          |
|          | Average rate                                 | Rs./KWH              | -               | -          |
| b)       | Own generation                               |                      |                 |            |
|          | Units  | 000 KWH              | -               | -          |
|          | Units per litre of diesel                    | KWH                  | -               | -          |
|          | Cost per unit                                | RUPEES               | -               | -          |
| <b>2</b> | <b>Cost(mineral coal c-e/Imported grade)</b> |                      |                 |            |
|          | Quantity                                     | Tonnes               | -               | -          |
|          | Total cost                                   | Rs. in Lakhs         | -               | -          |
|          | Average rate                                 | Rs. per MT           | -               | -          |
| <b>3</b> | <b>Furnace oil</b>                           |                      |                 |            |
|          | Quantity                                     | KILO LTS.            | -               | -          |
|          | Total cost                                   | Rs. in lakhs         | -               | -          |
|          | Average rate                                 | RUPEES               | -               | -          |
| <b>B</b> | <b>Consumption per unit of production</b>    |                      |                 |            |
|          | Electricity                                  | KWH/tones of cement  | -               | -          |
|          | Coal   | Kgs/tonnes of cement | -               | -          |

**FORM 'B'**

**A. RESEARCH AND DEVELOPMENT (R &D)**

Not available since the plant is not in operation.

**B. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION:**

Not applicable.

**FORM No. AOC-2**

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

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

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

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

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any |
|---|---|---|--|----------------------------------|---------------------------------|
| -   | -   | -   | -  | -                                | -                               |

**Palani Thangavel**  
Director  
DIN: 09448684

**Aravindan Palani**  
Director  
DIN: 09448703

Place - Cement Nagar  
Dated - 02<sup>nd</sup> September, 2022

## **MANAGEMENT DISCUSSION AND ANALYSIS:**

### **Industry structure and development:**

India's cement demand remained passive for most of F.Y. 2022, particularly on account of low demand from the housing segment. However, there were signs of demand recovery in the last quarter, reflected in double-digit growth riding on higher infrastructure spending and development in Andhra Pradesh and Telangana. As the economy revives, the country's cement industry is expected to perform better. The Cement Division is incurring losses due to its inability to operate continuously at optimum levels on account of inadequate working capital and high cost of production which is mainly due to high power consumption and coal when compared to industry norms of similar capacity. Now the management has taken various steps to optimize the production levels and taken necessary measures to reduce the cost of production.

### **Opportunity and threats:**

Our cement plant being strategically located with high quality limestone mines very near to the plant can cater to the neighboring States of Tamil Nadu, Karnataka, Goa and Kerala where the realizations are better. The management is putting its best efforts to revive the industry to normal levels.

### **Outlook:**

The initiatives by the Central Government such as housing for all, smart cities, Swachh Bharat campaign, infrastructure spending, concrete road initiatives and an increase in allocation of funds to States are likely to see a positive impact on the Cement Industry.

Infrastructure development is the need of the nation; this along with rising housing provision will accelerate construction activity. Recovery of the global scenario could also provide impetus to economic growth and cement. The State has seen new players and also the existing players expanding capacities due to huge availability of limestone, which is the primary material for cement. The company is now able to move its finished products through railway wagons due to completion of its railway siding inside the factory.

### **Risks and concerns**

The drying up of Government contracts through irrigation, infrastructure and housing programs was major reason for hitting the Industry. However, post the bifurcation of erstwhile Andhra Pradesh and formation of 2 new states will impetus the growth of cement consumption during the year.

Concerns of the Indian Cement Industry are high cost of power and coal, high freight costs, inadequate infrastructure, non-availability of wagons and poor quality of coal and heavy taxes/royalty levies.

### **Segment-Wise Performance Together with Discussion on Financial Performance With Respect To Operational Performance:**

Segment-wise (only one segment) performance together with discussion on financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

**Internal control systems and their adequacy:**

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition.

The internal control systems of the company comprise of statutory audit, cost audit and internal audit. The work of all the audits have been assigned to reputed, external, independent and qualified people.

The Audit Committee comprising of independent directors will review all quarterly, half yearly and annual financial statements.

**Human resources and industrial relations:**

The industrial relations at all the plant and offices continue to be cordial during the year under review. The total number of employees at the end of the financial year 2021-22 on the rolls of the Company is 425 at Cement Division and Central Administrative Office.

**Cautionary Statement:**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government policies and regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speaks only as of their dates.

Place - Cement Nagar  
Dated - 02<sup>nd</sup> September, 2022

**(PALANI THANGAVEL)**  
Director  
DIN: 09448684

**CORPORATE GOVERNANCE REPORT:****1. Background:**

The Company was admitted to Corporate Insolvency Resolution Process ("CIRP") vide order of the Hon'ble National Company Law Tribunal ("NCLT"), Amravati Bench, dated 14<sup>th</sup> May, 2020 ("Insolvency Commencement Date") under the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code") and appointed Mr. Bhruvish Amin (IBBI Registration no. IBBI/IPA-002/IP-N00353/2017-18/11003) as the Interim Resolution Professional ("IRP") for the Company, Further, appointment as the Resolution Professional ("RP") was subsequently approved by the committee of creditors on 26<sup>th</sup> June, 2020.

Pursuant to the Hon'ble NCLT Order, the Management of the operations of the Company have been taken over by Resolution Professional with effect from 14<sup>th</sup> May, 2020. A new Board is yet to be constituted.

In accordance with the provisions of the Code and the NCLT order, the approved Resolution Plan is binding on the Company and its employees, members, creditors including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan till the date of the approved order.

**2. Company's Philosophy on Code of Governance:**

The Company believes in adopting and adhering to the best corporate practice and continuously evaluate it against each of such practices. The Company understands and respects its fiduciary role and responsibility to all stakeholders and strives hard to meet their expectations. The Company believes that the Corporate Governance is an important tool for shareholders protection and maximizing their long-term values. Panyam Cements and Mineral Industries Limited functions keeping in tune with this philosophy.

The fundamental objective of company's Corporate Governance is to adopt a methodology, which enhances effectiveness, better utilization of resources, transparency and harmonious relations between various interest groups. The company has been regular in sending its quarterly compliance report on Corporate Governance to Stock Exchange.

**3. Board of Directors:**

Since the powers of the Board stood suspended with effect from 14<sup>th</sup> May, 2020 i.e. the date of commencement of the Corporate Insolvency Resolution Process ("CIRP") and continued to remain so for the period under review.

**Composition and category of the Directors:**

| Category                                 | Name of Directors            |
|--|------------------------------|
| Executive Director, MD                   | Mr. S Sreedhar Reddy         |
| Non-Executive - Non-Independent Director | Mr. Palani Thangavel         |
| Non-Executive - Non-Independent Director | Mr. Aravindan Palani         |
| Non-Executive - Non-Independent Director | Dr. Sakthi Sri Devi          |
| Non-Executive - Independent Director     | Mr. Panduranga Rao Surathu   |
| Non-Executive - Non-Independent Director | Dr. Srinisha Jagathrakshakan |

In terms of the SEBI (LODR) Regulations, 2015, a company undergone CIR Process is not required to comply with Regulation 17, dealing with the requirement of composition of the Board of Directors. Further, pursuant to the approval of the Resolution Plan, the existing Board ceases to exist and the new Board will be reconstituted.

**Meetings and Attendance:**

No Board Meetings were held during the financial year 2021-22 in view of the company continuing to remain under CIRP and suspension of the powers of the Board. The Resolution Professional was entrusted with the job of managing the affairs of the Company during the said period. However, the Board took active participation in below Implementation and Monitoring Committee (IMC) Meetings held.

| S.No | IMC Meeting Dates | Attendance                                 |
|------|-------------------|--|
| 1    | 06.07.2021        | All IMC Members and Directors were present |
| 2    | 19.07.2021        | All IMC Members and Directors were present |
| 3    | 21.07.2021        | All IMC Members and Directors were present |
| 4    | 23.07.2021        | All IMC Members and Directors were present |
| 5    | 28.07.2021        | All IMC Members and Directors were present |
| 6    | 16.03.2022        | All IMC Members and Directors were present |

The last Annual General Meeting (AGM) was held on 30<sup>th</sup> December, 2021. The AGM was attended by Mr. S Sreedhar Reddy and Ms. V Aravinda Rani.

**4. Board Procedure:**

Since the powers of the Board remained suspended, there was no Board Meeting held during the year. The matters required to be tabled to the Board of Directors were put up for the review and the decision of the Resolution Professional from time to time in accordance with the provisions of the Insolvency Bankruptcy Code, 2016, was obtained.

**5. Statutory Committee:**

Since the company continued to remain under Corporate Insolvency Resolution Process (CIRP), during the period under review, as per Regulation 15(2A) and 15(2B) of the Securities and Exchange Board of India (LODR) Regulations, 2015 the provisions of Regulation 17, 18, 19 and 20 of the Listing Regulations relating to various committees including Audit Committee was not applicable to the Company.



The roles and responsibilities of the Board and the committees were fulfilled by the Resolution Professional, Mr. Bhrugesh Amin, in accordance with the provisions of the section 23 of the Insolvency Bankruptcy Code, 2016.

**6. Independent Directors Meeting:**

During the year, no meetings of Independent Directors were held as the powers of the Board stood suspended since the commencement of Corporate Insolvency Resolution Process and continued to remain suspended during the period under review.

**7. Annual General Meetings:**

The last three Annual General Meetings were held as under:

| Year | Location  | Date       | Time     |
|------|---|------------|----------|
| 2019 | Registered Office - C-1, Industrial Estate, Nandyal, Kurnool Dst., A.P. | 30.11.2019 | 11.45 AM |
| 2020 | Video Conferencing / Other Audio Visual Means                           | 18.09.2021 | 11.30 AM |
| 2021 | Video Conferencing / Other Audio Visual Means                           | 30.12.2021 | 03.30 PM |

**Special Resolutions:**

In respect of the resolutions passed in the above three respective Annual General Meetings and Extra-Ordinary General Meeting wherever applicable, the necessary Form No. MGT 14 were filed with the Registrar of Companies Disclosures:

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in Listing Regulations.

There were no instances of non-compliance on any matter relating to the capital market, during the last three years.

**8. Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**9. Means of Communication:**

The Quarterly results are normally published in "Financial Express" in English and "Andhra Prabha" regional newspaper published in the vernacular language. The results are promptly furnished to the stock exchange for display on its web site.

Website: The Company's website [www.panyamcements.in](http://www.panyamcements.in) contains a separate dedicated section 'Investors' where shareholders 'information is available. The Company's Annual Report is also available in downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. Both "Management Discussion and Analysis" and "Shareholders Information" forms part of the Annual Report.

#### 10. General Information for Shareholders:

|   |   |  |
|---|---|--|
| i) Company registration details   | The Company is registered in the State of Andhra Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26940AP1955PLC 000546.                            |  |
| ii) Date, Time and Venue of the   | 30 <sup>th</sup> September, 2022, at 03.30 PM ISD, Annual General Meeting will be held Virtually.   |  |
| iii) Financial Year   | April 1 to March 31   |  |
| iv) Financial calendar  | 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022   |  |
| v) Financial Reporting Un-audited<br>For the quarter ending June 30, 2021<br>For the quarter ending September 30, 2021<br>For the quarter ending December 31, 2021<br>For the quarter ending March 31, 2022 (audited) | Second week of June 2022<br>Second week of June 2022<br>Second week of June 2022<br>First week of September, 2022   |  |
| vi) Annual General Meeting  | Virtual through VC/OAVM   |  |
| vii) Date of Book Closure   | 24 <sup>th</sup> September, 2022 to 30 <sup>th</sup> September, 2022 (both days inclusive)  |  |
| viii) Dividend payment date   | N.A.  |  |
| ix) Listing on Stock Exchanges  | The Company's shares are listed on: BSE Limited, Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001.<br>Listing fee was not paid to the said Stock Exchange.<br>Trading suspended.                            |  |
| x) Market Price Data:   |   |  |
|   | <b>Month</b>  | <b>Stock Exchange Mumbai (BSE) Rs.</b> |
|   |   | <b>High (Rs)</b> <b>Low (Rs.)</b>      |
|   | NIL   |  |
| xi) Registrar and Share Transfer Agents:  | M/s.XL Softech Systems Limited<br>3, Sagar Society, Road No. 2,<br>Banjara Hills, Hyderabad - 500 034.<br>Tel : 040-23545913, 914 & 915<br>Fax : 040-23553214<br>Email : xlfield@rediffmail.com<br>Website: www.xlsoftech.com |  |

|  |   |
|--|---|
| xii) Debenture Trustee for Non-Convertible : | M/s. IDBI Trusteeship Services Limited<br>Debentures Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai - 400 001.<br>Tel : 022-4080 7000<br>Fax : 022-6631 1776<br>Email : itsl@idbitrustee.com<br>Website : www.idbitrustee.com |
|--|---|

11. a) **Distribution of shareholding as on 31<sup>st</sup> March 2022:**

| Nominal Value of Shares | No. of Share Holders | Percentage of Share Holders | Shares Amount in Rs. | Percentage of Share Holders % |
|-------------------------|----------------------|-----------------------------|----------------------|-------------------------------|
| Up to - 5000            | 8147                 | 98.86                       | 1821920              | 45.43                         |
| 5001 - 10000            | 41                   | 0.50                        | 296100               | 7.38                          |
| 10001 - 20000           | 32                   | 0.39                        | 455840               | 11.37                         |
| 20001 - 30000           | 8                    | 0.10                        | 204540               | 5.10                          |
| 30001 - 40000           | 2                    | 0.02                        | 69720                | 1.74                          |
| 40001 - 50000           | 1                    | 0.01                        | 44280                | 1.10                          |
| 50001 - 100000          | 8                    | 0.10                        | 560270               | 13.97                         |
| 100001 & above          | 2                    | 0.02                        | 558040               | 13.91                         |
| <b>TOTAL</b>            | <b>8241</b>          | <b>100.00</b>               | <b>4010710</b>       | <b>100.00</b>                 |

Under group / class 100001 and above includes two shareholders viz EW India Special Assets Pvt. Ltd. and Ecap Equities Ltd. to whom 678663 shares and 1,64,397 shares respectively allotted and listing approval from BSE is pending.

b) **Pattern of shareholding as on 31<sup>st</sup> March 2022.**

| <b>A Category</b>  | <u>No. of Shares</u> | <u>% of shareholding</u> |
|--|----------------------|--------------------------|
| <b>Promoter's holding</b>  |                      |                          |
| 1 Promoters : Indian Promoters   | -                    | -                        |
| Foreign Promoters  | -                    | -                        |
| 2 Persons acting in concert  | -                    | -                        |
| <b>Sub Total</b>   | -                    | -                        |
| <b>B Non-Promoters holding</b>   |                      |                          |
| 3 Institutional Investors  |                      |                          |
| A Mutual Funds and UTI   | 73                   | 0.02                     |
| B Banks, Financial Institutions, Insurance companies (Central, State Government Institutions/ Non-Govt Institutions) |                      |                          |
| <b>C FIIS</b>  | 2765                 | 0.69                     |
| <b>D Foreign Portfolio Investors</b>   | -                    | -                        |
| <b>Sub Total</b>   | <b>2838</b>          | <b>0.71</b>              |

|                              |               |              |
|------------------------------|---------------|--------------|
| 4 Others                     |               |              |
| A Private Corporate Bodies   | 293561        | 73.19        |
| B Indian Public              | 58431         | 14.57        |
| C NRIs/OCBs                  | 25146         | 6.27         |
| D Any Other (Please Specify) | 21095         | 5.26         |
| <b>Sub Total</b>             | <b>398233</b> | <b>99.29</b> |
| <b>Grand Total</b>           | <b>401071</b> | <b>100</b>   |

## 12. Dematerialization of Shares and Liquidity:

As on 31<sup>st</sup> March, 2022, 97.4% Equity Shares have been dematerialized. (This excludes the shares allotted to EW India Special Assets Fund Private Limited and ECap Equities Limited which are pending with BSE for listing approval).

The Company's shares are available for Demat with National Securities Depository Limited and Central Depository Services (India) Limited. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in the dematerialized form with effect from September, 2001. The ISIN number allotted for trading in the Company's Equity Shares in Demat form is INE167E01037 at both the Depositories.

As on 31<sup>st</sup> March, 2022, no requests were pending for demat confirmation.

## 13. Plant Locations:

**Registered Office & Works** : 10/156, Betamcherla Road, Betamcherla, Cement Nagar, Kurnool, Andhra Pradesh-518 206  
Telephone No. : 08516-293625  
Email: panyam1956@gmail.com

**Cement Works** : Cement Nagar 518 206  
Kurnool District, Andhra Pradesh  
Telephone No. : 08516 - 274638  
Fax : 08516 - 274644  
Email: panyam1956@gmail.com

**Central Administrative Office** : H.No. 1-65, 1st Floor, Plot No.539, Road No. 11  
Kakateeya Hills, Guttala Begumpet Village,  
Madhapur, Hyderabad, Telangana – 500081  
Telephone No. : 040-49544944  
E-mail: accounts@panyamcements.in  
Website: www.panyamcements.in  
ISIN: INE167E01037  
CIN: L26940AP1955PLC000546

## 14. Note/ Disclaimer:

The Corporate Governance Report for the Financial Year ended 31<sup>st</sup> March 2022 has been only reviewed by the Insolvency Resolution Professional Mr. Bhruvesh Amin (IBBI Registration no. IBBI/IPA-002/IP-N00353/2017-18/11003 based on data provided by the respective department of the Company. It is pertinent to note that the Resolution Professional made all practicable and reasonable efforts from time to time to facilitate information/data from the officials of the Company in relation to the preparation of

the Corporate Governance Report of the company. It is to be noted that the information/ data pertain to the year prior to the appointment of the Resolution Professional and therefore, while facilitating the collection and dissemination of the said information, the Resolution Professional has relied upon and assumed the accuracy/veracity of the data/information provided by the officials of the company, suspended directors, and the records of the company made available to the Resolution Professional, which the Resolution Professional has assumed are in conformity with the applicable law and present a true and fair view of the position of the company as of the dates and for the year indicated therein. The RP has not personally verified the information provided by the officials of the company and has placed confidence in the data/information provided to him of the previous years. Accordingly, the Resolution Professional shall be absolved from the accuracy, veracity and sufficiency or completeness of such information. Readers and users of these statements/statements are advised to do their due diligence before arriving at any conclusions. The Resolution Professional has to facilitate the CIRP Process and facilitate the statutory requirements without any liability of the same.

Place - Cement Nagar  
Dated - 02<sup>nd</sup> September, 2022

**(PALANI THANGAVEL)**  
Director  
DIN: 09448684

**Certificate on compliance with the conditions of Corporate Governance under  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
Panyam Cements and Mineral Industries Limited,  
10/156, Betamcherla Road, Betamcherla,  
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

Its status under the Act: Panyam Cements and Mineral Industries Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon'ble National Company Law Tribunal (NCLT), Amravati Bench with effect from 14<sup>th</sup> May, 2020. Its affairs, business and assets are being managed by the Resolution Professional Mr. Bhrugeth Amin (IBBI Registration no. IBBI/IPA-002/IPN00353/2017-18/11003) appointed as Interim Resolution Professional by NCLT vide its Order dated 14<sup>th</sup> May, 2020 and its appointment as Resolution Professional continued by the Committee of Creditors in its Meeting held on 26<sup>th</sup> June, 2020 under provisions of the Code and the powers of the existing Board of Directors of the company are suspended from the date of the order as per section 17 of the IBC and vested with the Resolution Professional. The powers vested with the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee will also be exercised by the Resolution Professional.

The Hon'ble NCLT, Amravati Bench has approved the Resolution Plan submitted by RV Consulting Services Private Limited and Sagar Power Limited vide Order dated June 25, 2021. The Hon'ble NCLT, Amravati Bench has also approved the constitution and appointment of Sri. Bhrugeth Amin as Monitoring Agent of Monitoring Committee until closing date to supervise implementation of the Resolution Plan.

We, have examined the compliance of conditions of the Corporate Governance of Panyam Cements and Mineral Industries Limited (Company under CIRP) for the financial year ended March 31, 2022, as stipulated in Regulation 15(2) and 34(3) & Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period under review.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Board of Directors of the Company is not properly constituted as per the provisions of the Companies Act, 2013 due to CIRP process and the Company has complied with all other conditions of the Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **B S S & Associates**  
Company Secretaries

**S.Srikanth**  
Partner

Place: Hyderabad  
Date: 02.09.2022

ACS:22119; CoP:7999  
UDIN: A022119D000897488

**Certificate of Non-Disqualification of Directors**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of  
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Panyam Cements and Mineral Industries Limited,  
10/156, Betamcherla Road, Betamcherla,  
Cement Nagar, Kurnool, Andhra Pradesh - 518206.

We have examined the available documents and disclosures received from the Directors of **Panyam Cements and Mineral Industries Limited** [CIN:L26940AP1955PLC000546] and having registered office at 10/156, Betamcherla Road, Betamcherla, Cement Nagar, Kurnool, Andhra Pradesh - 518206 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sl. No. | Name of Director                   | DIN      | Date of appointment in Company |
|---------|------------------------------------|----------|--------------------------------|
| 01      | Shri. Panduranga Rao Surathu       | 07339056 | 30-11-2015                     |
| 02      | Shri. S Sreedhar Reddy             | 01440442 | 30-10-2014                     |
| 03      | Shri. Ramakrishna Prasad Sunkara   | 02451497 | 12-08-2015                     |
| 04      | Shri. Jayarama Reddy Pedireddygaru | 07053207 | 30-10-2014                     |
| 05      | Ms. Sakthi Sri Devi                | 09448634 | 17/01/2022                     |
| 06      | Mr. Palani                         | 09448684 | 17/01/2022                     |
| 07      | Mr. Aravindan                      | 09448703 | 17/01/2022                     |

Smt. Aravinda Rani Sannapureddy was resigned on 28.02.2021, eform DIR 12 is not filed to MCA. Shri. Ramakrishna Prasad Sunkara and Shri. Jayarama Reddy Pedireddygaru were resigned on 10.06.2022

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

For **B S S & Associates**  
Company Secretaries

**S.Srikanth**  
Partner

Place: Hyderabad  
Date: 02.09.2022

ACS:22119; CoP:7999  
UDIN: A022119D000897488

**CERTIFICATE BY THE CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS OF THE COMPANY:**

We, Diya Venkatesan, Chief Financial Officer of M/s. Panyam Cements and Mineral Industries Limited do hereby certify that:-

- a) We have reviewed the financial statements and the Cash Flow Statement for the financial year ended 31st March, 2022 and that to the best of our knowledge and belief:
  - i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the period, which are fraudulent, illegal and violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Implementation and Monitoring Committee that:
  - i) There have been no significant changes in internal control over financial reporting during the year;
  - ii) There have been no significant changes in accounting policies during the year; and
  - iii) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Cement Nagar  
02<sup>nd</sup> September, 2022

**(DIYA VENKATESAN)**  
Company Secretary & CFO



## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
M/s. Panyam Cements and Mineral Industries Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Panyam Cements and Mineral Industries Ltd ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2022, the statement of profit and loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit 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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of Financial Statement**

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

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

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "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 books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - e) on the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 with reference to financial statements 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 with reference to financial statements;
  - 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:  
no remuneration was paid by the Company to its directors during the year;
  - 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 financial statements - Refer Note 22 to the Ind AS financial statements;
    - ii. the Company did not have any long-term contracts including derivative contracts; as such there were no material foreseeable losses thereon;
    - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund; therefore, delay in transferring such sums does not arise;
    - iv. a) the management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 have been received by the Company from any person or entity, including foreign entities ("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; and
  - c) based on such audit procedures that were 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 (a) and (b) contain any material misstatement;
  - v) no dividend has been declared or paid during the year by the Company.

for **K.S. RAO & Co.,**  
Chartered Accountants  
Firm's Regn.No.003109S

**(P. GOVARDHANA REDDY)**  
Partner  
M.No.029193  
UDIN : 22029193AREYNM1498

Place : Hyderabad  
Date : 02-09-2022

#### **ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

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

#### **Statement on the matters specified in the Companies (Auditor's Report) Order, 2020**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that

- i) in respect of the Company's property, plant and equipment:
  - a) (A) the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
  - (B) the Company has not capitalized any intangible assets. Hence Para 3(i) (B) of the said Order, is not applicable to the Company;
  - b) the Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant

to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

- c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all immovable properties are held in the name of the Company.
- d) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has revalued its Property, Plant and Equipment during the year by a registered valuer, and the changes in carrying values are given below:

| S. No. | Particulars                | Carrying amount as on 31.03.2022 (Before Adjustment) | Value as per Registered Valuer and adopted in the books |
|--------|----------------------------|--|---|
| 1      | Buildings, Roads & Bridges | 192.06   | 75.03   |
| 2      | Plant & Equipment          | 4,474.45   | 2,429.04  |
| 3      | Computers                  | 1.41   | 0.81  |
| 4      | Other Assets               | 5.28   | 4.62  |

- e) according to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- ii) in respect of Company's inventory:
  - a) the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. Discrepancy of 10% or more were not noticed on such physical verification. There are no inventories lying with third parties as at year-end;
  - b) the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii) during the year the Company has not made any investment in, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on Para 3(iii)(a) to (f) of the Order is not applicable to the Company.
- iv) in view of our comment in the sub para (iii) above compliance with the provisions of Sections 185 and 186 of the Act does not arise;
- v) the Company has not accepted deposits from public during the year and does not have any unclaimed deposits as at 31<sup>st</sup> March, 2022 and therefore, the provisions of the Para 3 (v) of the Order are not applicable to the Company;

- vi) since there were no operations during the immediately preceding year , maintenance of Cost records U/s148(1) of the Act is not applicable;
- vii) according to the information and explanations given to us, in respect of statutory dues:
- a. the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income-tax, sales tax , service tax Customs Duty, Excise duty Cess and other material statutory dues as applicable, with the appropriate authorities;
  - b. there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax (GST), Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable;
  - c. there were no disputes as at 31.03.2022 to the extent of depositing the current year dues. However PF Authorities, Electricity Board and Excise Duty Authorities have approached NCLAT ( National Company Law Appellate Tribunal ) claiming the amounts as mentioned below pertaining to earlier years owed by the erstwhile Management and the company has shown as Contingent Liability as on 31.03.2022

| <b>Name of the Statute</b>                                      | <b>Nature of dues</b>                          | <b>Amount (Rs. in lakhs)</b> | <b>Forum where dispute is pending</b> |
|---|--|------------------------------|---------------------------------------|
| Employees Provident Fund and Miscellaneous Provisions Act, 1952 | PF delay charges/ damages for belated payments | 722.72                       | NCLAT, Chennai                        |
| The Electricity Act, 2003                                       | Dues to APSPDCL                                | 4,702.25                     | NCLAT, Chennai                        |
| Central excise, service tax                                     | Dues due to central excise, service tax        | 3,122.21                     | NCLAT, Chennai                        |

- viii) the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on Para 3(viii) of the Order is not applicable to the Company;
- ix)
  - a) the Company has been taken over by the new management through NCLT Order and the new management has not defaulted in repayment of loans and borrowing or in the payment of interest.
  - b) the Company is not a declared wilful defaulter by any bank, financial institution or other lender;
  - c) during the year under report the company has not raised any term loans;
  - d) during the year under report the Company did not raise funds on short-term basis. Hence para 3(ix) ( d ) of the said Order is not applicable;

- e) the Company does not have subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013). Accordingly, Para 3(ix)(e) of the Order is not applicable;
- f) the Company does not have subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013). Accordingly, Para 3(ix)(f) of the Order is not applicable;
- x)
  - a) the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, Para 3(x)(a) of the Order is not applicable;
  - b) the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Para 3(x)(b) of the Order is not applicable;
- xi) based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
  - a) no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 during the year and up to the date of this Report with the Central Government;
  - b) no whistle blower complaints received by the Company during the year;
- xii) the Company is not a Nidhi Company. Accordingly, Para 3(xii) of the Order is not applicable;
- xiii) the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc as required by the applicable accounting standards;
- xiv) since there were no commercial operations during the year under report and as explained by the management there was no internal audit system. However the new management has put up proper internal controls in the areas of Purchases and Administration;
- xv) during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act, are not applicable;
- xvi)
  - a) the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934 ;
  - b) the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
  - c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India;



- d) the Company does not have any Core investment Company as a part of its group of Companies;
- xvii) the Company has incurred cash loss in the immediately preceding financial year amounting to Rs.15.84 Crores and during the year the company has not incurred cash losses and new management yet to commence commercial operations as on the date of report;
- xviii) there has been no resignation of the statutory auditors during the year. Accordingly, Para 3(xviii) of the Order is not applicable;
- xix) during the year under report there is change of Management through NCLT Order There are Few financial assets and Financial liabilities and there were no operations during the year and we are of the opinion that on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- xx) in our opinion and according to the information and explanations given to us, the company is not obligated to spend the amount under CSR Obligations as per section 135 of the Companies Act, 2013. Accordingly, Para 3(xx)(a)& (b) of the Order is not applicable;

for **K.S. RAO & Co.,**  
Chartered Accountants  
Firm's Regn.No.003109S

**(P. GOVARDHANA REDDY)**  
Partner  
M.No.029193  
UDIN : 22029193AREYNM1498

Place : Hyderabad  
Date : 02-09-2022

## **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

### **Report on the Internal Financial Controls Over Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial statements of Panyam Cements and Mineral Industries Ltd ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

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

Place: Hyderabad  
Date: 02-09-2022

For **K.S. RAO & Co.,**  
Chartered Accountants  
Firm's Regn.No.003109S

**P.GOVARDHANA REDDY**  
Partner  
M.No.029193  
UDIN : 22029193AREYNM1498

**Panyam Cements and Mineral Industries Limited**

**Balance Sheet as at 31<sup>st</sup> March, 2022**

(₹ in lakhs)

| Particulars  | Note No. | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
|--|----------|------------------------------------|------------------------------------|
| <b>A) ASSETS</b>   |          |                                    |                                    |
| <b>1 Non-current assets</b>  |          |                                    |                                    |
| (a) Property, Plant and Equipment  | 3(a)     | 3,130.18                           | 6,123.28                           |
| (b) Capital work-in-progress   | 3(b)     | 1,866.27                           | 2,315.66                           |
| (c) Financial assets   |          |                                    |                                    |
| (i) Investments  | 4(a)     | 3.63                               | 2,703.01                           |
| (ii) Other financial assets  | 4(c)     | 202.89                             | 18.80                              |
| (d) Other non-current assets   | 5        | 1,790.10                           | 1,771.76                           |
| <b>Total Non-current assets</b>  |          | <b>6,993.08</b>                    | <b>12,932.52</b>                   |
| <b>2 Current assets</b>  |          |                                    |                                    |
| Inventories  | 6        | 92.03                              | 880.59                             |
| Financial assets   |          |                                    |                                    |
| - Trade receivables  | 7(a)     | -                                  | 2,348.97                           |
| - Cash and cash equivalents  | 7(b)     | 705.17                             | 19.67                              |
| - Bank balances other than Cash and cash equivalents                                     | 7(c)     | -                                  | 0.76                               |
| - Loans  | 7(d)     | -                                  | 10,482.91                          |
| - Other financial assets   | 7(e)     | -                                  | 105.72                             |
| Current tax asset (Net)  |          |                                    |                                    |
| Other current assets   | 8        | 197.60                             | 757.07                             |
| <b>Total Current assets</b>  |          | <b>994.80</b>                      | <b>14,595.69</b>                   |
| <b>TOTAL ASSETS</b>  |          | <b>7,987.88</b>                    | <b>27,528.21</b>                   |
| <b>B) EQUITY AND LIABILITIES</b>   |          |                                    |                                    |
| <b>Equity</b>  |          |                                    |                                    |
| (a) Equity Share capital   | 10(a)    | 40.11                              | 1,686.42                           |
| (b) Other equity   | 10(b)    | (6,245.47)                         | (28,187.10)                        |
| <b>Total Equity</b>  |          | <b>(6,205.36)</b>                  | <b>(26,500.68)</b>                 |
| <b>Liabilities</b>   |          |                                    |                                    |
| <b>1 Non-current liabilities</b>   |          |                                    |                                    |
| Financial liabilities  |          |                                    |                                    |
| - Other financial liabilities  | 11       | 14,050.00                          | -                                  |
| <b>Total Non-current liabilities</b>   |          | <b>14,050.00</b>                   | <b>-</b>                           |
| <b>2 Current liabilities</b>   |          |                                    |                                    |
| - Borrowings   | 12(a)    | -                                  | 13,104.55                          |
| - Trade payables   |          |                                    |                                    |
| - Total outstanding dues of micro enterprises and small enterprises                      |          | -                                  | -                                  |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 12(b)    | 81.59                              | 2,575.56                           |
| - Other financial liabilities  | 12(c)    | -                                  | 22,957.25                          |
| Other current liabilities  | 13       | 61.65                              | 15,075.37                          |
| Current tax liability (Net)  | 9        | -                                  | 316.16                             |
| <b>Total Current liabilities</b>   |          | <b>143.24</b>                      | <b>54,028.89</b>                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>7,987.88</b>                    | <b>27,528.21</b>                   |

As per our attached report of even date

For and on behalf of the Board

**For K S Rao & Co**

**M/s Panyam Cements and Mineral Industries Limited**

Chartered Accountants

Firm's Regn No.003109S

**(CA P.GOVARDHANA REDDY)**

**Palani Thangavel**

**Aravindan Palani**

Partner

Director

Director

Membership No.029193

DIN: 09448684

DIN: 09448703

Place: Hyderabad

**DIYA VENKATESAN**

Date: September 02, 2022

Company Secretary & CFO

M.No: A55736

**Panyam Cements and Mineral Industries Limited**

**Statement of Profit and Loss for the Year ended 31<sup>st</sup> March, 2022**

(₹ in lakhs)

| Particulars  | Note No. | For the ended 31 <sup>st</sup> March, 2022 | For the ended 31 <sup>st</sup> March, 2021 |
|--|----------|--|--|
| <b>I Revenue from operations</b>   | 14       | -  | -  |
| <b>II Other income</b>   | 15       | 28,381.70                                  | 183.92                                     |
| <b>III Total revenue (I + II)</b>  |          | <b>28,381.70</b>                           | <b>183.92</b>                              |
| <b>IV Expenses</b>   |          |  |  |
| a) Cost of materials consumed/ purchased   | 16(a)    | -  | -  |
| b) Purchase of stock-in-trade  |          | -  | -  |
| c) Changes in inventories of finished goods, work in progress and stock-in-trade                           |          | -  | -  |
| d) Employee benefit expense  | 16(b)    | 120.07                                     | 336.19                                     |
| e) Finance Cost  | 17       | -  | 1,134.94                                   |
| f) Depreciation and amortisation expense   | 3(a)     | 437.68                                     | 514.42                                     |
| g) Other expenses  | 18       | 7,015.34                                   | 296.85                                     |
| <b>Total expenses (IV)</b>   |          | <b>7,573.08</b>                            | <b>2,282.40</b>                            |
| <b>V Profit/ (loss) before exceptional items and tax (III-IV)</b>  |          | <b>20,808.62</b>                           | <b>(2,098.47)</b>                          |
| VI Exceptional items   | 19       | (849.45)                                   | -  |
| <b>VII Profit/ (loss) before tax expenses (V + VI)</b>   |          | <b>19,959.17</b>                           | <b>(2,098.47)</b>                          |
| <b>Tax expenses:</b>   |          |  |  |
| Current tax  |          | -  | -  |
| Deferred tax   |          | -  | -  |
| Earlier years income tax (Provision written back)  |          | (315.57)                                   | -  |
| <b>VIII Total Tax expenses</b>   |          | <b>(315.57)</b>                            | <b>-</b>                                   |
| <b>IX Profit/(loss) for the period (VII-VIII)</b>  |          | <b>20,274.74</b>                           | <b>(2,098.47)</b>                          |
| <b>X Other comprehensive income</b>  | 20       |  |  |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods:                 |          |  |  |
| Net gains/(losses) on FVTOCI equity securities (Net of tax effect)   |          | 1.28                                       | 0.61                                       |
| <b>XI Total comprehensive income for the period (IX + X)</b>   |          | <b>20,276.02</b>                           | <b>(2,097.86)</b>                          |
| <b>Earnings Per Equity Share (Face Value ₹10 each)</b>   | 21       |  |  |
| Basic  |          | 5,055.15                                   | (12.45)                                    |
| Diluted  |          | 252.76                                     | (12.45)                                    |
| <i>Note: This EPS is due to write back of liabilities as per NCLT order and reduction in share capital</i> |          |  |  |
| General information & Summary of significant accounting policies   | 1&2      |  |  |
| Other explanatory notes and additional information   | 22       |  |  |

As per our attached report of even date

For and on behalf of the Board

**For K S Rao & Co**

**M/s Panyam Cements and Mineral Industries Limited**

Chartered Accountants  
Firm's Regn No.0031095

**(CA P.GOVARDHANA REDDY)**  
Partner  
Membership No.029193

**Palani Thangavel**  
Director  
DIN: 09448684

**Aravindan Palani**  
Director  
DIN: 09448703

Place: Hyderabad  
Date: September 02, 2022

**DIYA VENKATESAN**  
Company Secretary & CFO  
M.No: A55736

**Panyam Cements and Mineral Industries Limited**

**Cash flow statement for the year ended 31<sup>st</sup> March, 2022**

(₹ in lakhs)

| Particulars   | For the<br>year ended<br>31 <sup>st</sup> March, 2022 | For the<br>year ended<br>31 <sup>st</sup> March, 2021 |
|---|---|---|
| <b>Cash flow from operating activities</b>                                  |   |   |
| Profit before tax from continuing operations                                | 19,959.17   | (2,098.47)  |
| <b>Profit before tax</b>  | <b>19,959.17</b>                                      | <b>(2,098.47)</b>                                     |
| <b>Non-cash adjustment to reconcile profit before tax to net cash flows</b> |   |   |
| Depreciation and amortisation expenses                                      | 437.68  | 514.42  |
| Interest income   | -   | (182.48)  |
| Debit balances Written Off  | 6,133.15  | -   |
| Allowance for expected credit loss on trade receivables                     | -   | -   |
| Dividend income on investments made   | -   | -   |
| Loss on sale of Fixed assets  | -   | -   |
| Gain on sale of flats (Shown under other current financial assets)          | -   | -   |
| Interest expenses   | -   | 786.42  |
| Interest expense due to amortisation of processing fees                     | -   | 19.85   |
| Interest expense due to amortisation of NCDs                                | -   | 328.66  |
| <b>Operating profit before working capital changes</b>                      | <b>26,530.00</b>                                      | <b>(631.60)</b>                                       |
| <b>Working capital adjustments:</b>   |   |   |
| (Decrease)/Increase in trade payables                                       | (2,493.98)  | (0.50)  |
| (Decrease)/Increase in other current liabilities                            | (15,013.71)   | 258.40  |
| (Decrease)/Increase in other non-current liabilities                        | 1,790.10  | (24.22)   |
| (Increase)/Decrease in trade receivables                                    | 2,348.97  | -   |
| (Increase)/Decrease in inventories  | 788.56  | -   |
| (Increase)/Decrease in financial assets                                     | 105.72  | 0.77  |
| (Decrease)/Increase in financial liabilities                                | (8,344.56)  | 1,000.81  |
| (Increase)/Decrease in other current assets                                 | 559.47  | 5.05  |
| (Increase)/Decrease in other non- current assets                            | (202.43)  | -   |
| <b>Cash generated from operating activities</b>                             | <b>6,068.15</b>                                       | <b>608.72</b>   |
| Direct taxes paid (net)   | -   | (0.14)  |
| <b>Net cash flow from operating activities (A)</b>                          | <b>6,068.15</b>                                       | <b>608.58</b>   |
| <b>Cash flows from investing activities</b>                                 |   |   |
| (Purchase)/Sale of fixed assets, including CWIP                             | (2,559.33)  | -   |
| Sale of flats ( Shown under other current financial assets)                 | -   | -   |
| Deposits/margin money deposit matured/ (placed) during the year             | 0.76  | 43.51   |
| <b>Net cash flow from/(used in) investing activities (B)</b>                | <b>(2,558.57)</b>                                     | <b>43.51</b>  |

|   |                   |                 |
|---|-------------------|-----------------|
| <b>Cash flows from financing activities</b>                             |                   |                 |
| Interest paid   | -                 | (786.42)        |
| Interest received   | -                 | 182.48          |
| (Repayment)/Proceeds from short term borrowings                         | (13,104.55)       | 100.95          |
| Loans and advances paid to related parties                              | 10,280.47         | (146.52)        |
| <b>Net cash flow from/ (used in) in financing activities (C)</b>        | <b>(2,824.08)</b> | <b>(649.52)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b> | <b>685.51</b>     | <b>2.56</b>     |
| Cash and cash equivalents at the beginning of the year                  | 19.67             | 17.11           |
| Cash and cash equivalents at the end of the year                        | <b>705.17</b>     | <b>19.67</b>    |
| <b>Components of cash and cash equivalents</b>                          |                   |                 |
| cash and cash equivalents   | 705.17            | 19.67           |
| <b>Total cash and cash equivalents (Note 8(b))</b>                      | <b>705.17</b>     | <b>19.67</b>    |

As per our attached report of even date

**For K S Rao & Co**

Chartered Accountants  
Firm's Regn No.003109S

**(CA P.GOVARDHANA REDDY)**

Partner  
Membership No.029193

Place: Hyderabad  
Date: September 02, 2022

For and on behalf of the Board

**M/s Panyam Cements and Mineral Industries Limited**

**Palani Thangavel**

Director  
DIN: 09448684

**Aravindan Palani**

Director  
DIN: 09448703

**DIYA VENKATESAN**  
Company Secretary & CFO  
M.No: A55736

**Panyam Cements and Mineral Industries Limited**  
**Statement of changes in equity for the year ended 31<sup>st</sup> March, 2022**

(₹ in lakhs)

| a. Equity share capital   |            | Note                       | Amount                     |                 |                   |                                     |                                       |                    |
|---|------------|----------------------------|----------------------------|-----------------|-------------------|-------------------------------------|---------------------------------------|--------------------|
| As at 31st March, 2020  |            |                            | 1,686.42                   |                 |                   |                                     |                                       |                    |
| Changes in equity share capital during the year                       |            | 10(a)                      | -                          |                 |                   |                                     |                                       |                    |
| As at 31st March, 2021  |            |                            | 1,686.42                   |                 |                   |                                     |                                       |                    |
| Changes in equity share capital during the year                       |            | 10(a)                      | -1,646.31                  |                 |                   |                                     |                                       |                    |
| As at 31st March, 2022  |            |                            | 40.11                      |                 |                   |                                     |                                       |                    |
| (₹ in lakhs)  |            |                            |                            |                 |                   |                                     |                                       |                    |
| b. Other equity   |            | Reserves and Surplus       |                            |                 |                   | Items of Other Comprehensive income | Money received against share warrants | Total other equity |
| Particulars   | Note       | Securities premium reserve | Capital redemption reserve | Capital Reserve | Retained earnings | FVOCI - equity instruments          |                                       |                    |
| Balance as at 31st March, 2020  |            | 1,570.57                   | 74.19                      | -               | (25,435.55)       | (2,298.45)                          | -                                     | (26,089.24)        |
| Changes in equity for the period ended 31st, March 2021               |            |                            |                            |                 |                   |                                     |                                       |                    |
| Capital Reserve Equity instruments through other comprehensive income | 10(b)(iv)  | -                          | -                          | -               | -                 | 0.61                                | -                                     | 0.61               |
| Profit for the year   | 10(b)(iii) | -                          | -                          | -               | (2,098.47)        | -                                   | -                                     | (2,098.47)         |
| Balance as at 31st March, 2021  |            | 1,570.57                   | 74.19                      | -               | (27,534.02)       | (2,297.84)                          | -                                     | (28,187.10)        |
| Changes in equity for the period ended 31st, March 2022               |            |                            |                            |                 |                   |                                     |                                       |                    |
| Capital Reserve Equity instruments through other comprehensive income | 10(b)(iii) | -                          | -                          | 1,665.61        | -                 | -                                   | -                                     | 1,665.61           |
|   |            | -                          | -                          | -               | -                 | 0.61                                | -                                     | 0.61               |
|   | 10(b)(v)   | -                          | -                          | -               | -                 | 1.28                                | -                                     | 1.28               |
| Profit for the year   | 10(b)(iv)  | -                          | -                          | -               | 20,274.74         | -                                   | -                                     | 20,274.74          |
| Balance as at 31st March, 2022  |            | 1,570.57                   | 74.19                      | 1,665.61        | (7,259.28)        | (2,296.56)                          | -                                     | (6,245.47)         |

As per our attached report of even date

For and on behalf of the Board

**For K S Rao & Co**

**M/s Panyam Cements and Mineral Industries Limited**

Chartered Accountants

Firm's Regn No.003109S

**(CA P.GOVARDHANA REDDY)**

**Palani Thangavel**

**Aravindan Palani**

Partner

Director

Director

Membership No.029193

DIN: 09448684

DIN: 09448703

**DIYA VENKATESAN**

Place: Hyderabad

Company Secretary & CFO

Date: September 02, 2022

M.No: A55736



## Notes to financial statements for the year ended 31<sup>st</sup> March 2022

### Note 1: General Information

#### General Information

Panyam Cements and Mineral Industries Limited ("the company") a public limited company incorporated in the year 1955 and domiciled in India and has its registered office at 10/156, Cement Nagar, Bethamcherla Road, Bethamcherla, Nandyal district, Andhra Pradesh. The securities of the company were listed in Bombay Stock Exchange of India Limited. The Company is engaged in the business of manufacture and sale of cement. The financial statements for the year ended March 31, 2022, were approved by the Board of Directors for issue on 30th August 2022.

#### 1.1 Key Roles and Responsibilities & Data Sources for the Financial Year 2021-22

| Area of Work                     | Responsible person                    |
|----------------------------------|---------------------------------------|
| Overall Decisions of the Company | Mr. Sreekanth Reddy (Member of IMC)   |
|                                  | Mr. AP Srinivas (Member of IMC)       |
|                                  | Mr. Prasad K (Member of IMC)          |
|                                  | Mr. Thangavel Palani (Director)       |
|                                  | Mr. Aravindan Palani (Director)       |
|                                  | Dr. Sakthi Sri Devi (Director)        |
| Accounts & Finance               | Ms. Diya Venkatesan (CS & CFO)        |
| Technical & Operations           | Mr. Sudhakar (Vice President - Works) |
| Marketing                        | Mr. KV Bhujanga Rao                   |

#### 1.2 General Note

Panyam Cements and Mineral Industries Limited ("**Company/Corporate Debtor**") has been admitted under the Corporate Insolvency Resolution Process by the Hon'ble National Company Law Tribunal, Amravati Bench ("**Hon'ble NCLT**"), by its order dated May 14, 2020 ("**Admission Order**") under the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**"). Pursuant to the Admission Order and in accordance with section 16 of the IBC, Mr. Bhrugesh Amin was appointed as the interim resolution professional ("**IRP**"), and Mr. Bhrugesh Amin appointment as Resolution Professional ("**RP**") was subsequently approved by the Committee of Creditors ("**CoC**") of the Company on June 26, 2020.

Thereafter, on March 29, 2021, the RV Consulting Services Pvt Ltd ("**RVCS**") and Sagar Power Limited ("**SPL**") as joint bidders had submitted its resolution plan along with the Ernest Money Deposit, which was extensively deliberated upon and negotiated by the COC. Consequently, after the e-voting on June 5, 2021, the CoC (with a majority of 97.634%) accorded its approval to the revised Resolution Plan dated May 19, 2021.

The RP had filed an application before Hon'ble NCLT for approval of the resolution plan on June 09, 2021. It is pertinent to note that the Hon'ble NCLT has approved the revised resolution plan dated May 19, 2021, of RVCS and SPL as joint bidders on June 25, 2021, read with rectified order of the Hon'ble NCLT dated 10<sup>th</sup> July 2021 ("**Approval Order**").

Further, as per para 17 of the Approval order, the approved resolution plan shall be binding on the corporate debtor, its employees, members, creditors, including the central

government, any state government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantor and other stakeholders involved under the Resolution Plan.

It is important to note that the successful resolution applicant is in process of implementing the approved resolution plan. Further, the successful resolution applicant has paid to all stakeholders including the financial creditors of the Company in accordance with the approved resolution plan.

## **Note 2: Significant Accounting Policies**

### **A. Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017, Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

### **B. Basis of preparation and presentation of financial statements**

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles on accrual basis of accounting and the historical cost convention basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

### **C. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- \* Expected to be realized or intended to be sold or consumed in normal operating cycle
- \* Held primarily for the purpose of trading
- \* Expected to be realized within twelve months after the reporting period, or
- \* Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- \* It is expected to be settled in normal operating cycle
- \* It is held primarily for the purpose of trading
- \* It is due to be settled within twelve months after the reporting period, or
- \* There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

### **D. Use of estimates and judgments**

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates.

Any revision to accounting estimates is recognized prospectively in current and future periods. The critical accounting judgments and key estimates followed by the Company for preparation of financial statements is described in Note 2(R).

#### **E. Property, Plant and Equipment**

Freehold Land is carried at historical cost. Other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and considered that carrying value as its deemed cost as of the transition date

#### **F. Depreciation and Amortization**

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the straight-line method in respect of plant and machinery and buildings and in respect of other assets on written down value method. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act have been followed except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Buildings-Factory - 28 years adopted as against 30 years prescribed

Buildings-Residential & Non-Factory- 58 years adopted as against 60years prescribed

Buildings-Others(temporary) - 2 years adopted as against 3 years prescribed

Continuous process plants (i.e., 18 years adopted as against 25 years prescribed) and

Thermal Power Plant - 20 years adopted as against 40 years prescribed

Plant and Machinery-others - 18 years adopted as against 40 years prescribed  
Ropeways - 9 years adopted as against 15 years prescribed.

#### **G. Impairment of Tangible Assets**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **H. Financial Instruments**

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

##### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two categories:

- \* Financial assets at amortized cost
- \* Equity instruments at fair value through other comprehensive income (FVTOCI)

##### **Financial assets at amortized cost**

A 'Financial asset' is measured at the amortized cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising

from impairment are recognized in the profit or loss. This category generally applies to trade receivables.

### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by - instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights 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.

### **Impairment of Financial assets**

The Company follows "Simplified approach" for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

### **Financial liabilities**

#### **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.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **De recognized**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### **I. Investment in associates**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Such investments in which the Company has no significant influence are accounted under Ind AS 109 at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

## **J. Inventories**

Inventories are stated at the lower of cost and net realizable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and Costs necessary to make the sale. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

## **K. Cash and Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## **L. Income Taxes**

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

- **Current Tax:**

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

- **Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

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

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

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

- **Current and Deferred Tax for the Year:**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

**M. Provisions, Contingent liabilities and Commitments**

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

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.

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 not 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 reporting period.

**Contingent asset**

Wherever there 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. A contingent asset is disclosed when the inflow of economic benefit is probable.

**N. Revenue Recognition**

Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

Accumulated experience is used to estimate the provision for such discounts and rebates.

Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.



Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognized when the right to receive dividend is established.

**Other Operating Income and Other Income:**

Revenue with respect to Other Operating Income and Other Income including incentives are recognized when a reasonable certainty as to its realization exists.

**O. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

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

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

**P. Employee Benefits**

**Short term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of Bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, Deposit Linked Insurance Policy are recognized in the period in which the employee renders the related services.

**Post-Employment Benefits:**

**(i) Defined Contribution Plan:**

The Company's contribution paid / payable during the year to Provident Fund are considered as defined contribution plans.

The Contribution paid / payable under these plans are recognized in the Statement of Profit and Loss during the period in which the employee renders the services.

**(ii) Defined Benefit Plans:**

Gratuity/superannuation and leave encasement benefits payable on retirement/ resignation of employees is recognized on retirement/payment basis.

**Q. Earnings per share**

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equities shares outstanding during the period. Diluted EPS is calculated after considering the potential equity shares to be issued with respect to Hon'ble NCLT order.

**R. Estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues,

expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Revenue recognition:**

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

**Useful lives and residual value of property, plant and equipment:**

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Allowance for expected credit losses:**

Note 2(H) describes the use of practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables which are past due, and the rates derived based on past history of defaults in the provision matrix.

**Fair value of investments:**

The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain.

**Taxes:**

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

**Contingent liability judgment:**

Note 22 describes claims against the Company not acknowledged as debt. Contingencies may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum of contingencies inherently involve the exercise of significant judgment and the use of estimates regarding the outcome of future events.

**Panyam Cements and Mineral Industries Limited**

**Note to Balance Sheet**

**Note No.3(a) : Property, Plant and Equipment**

(₹ in Lakhs)

|                                 | Freehold Land | Building, Roads & Bridges | Plant & Equipment | Railway Sliding | Computers    | Office Equipment | Furniture & Fixtures | Vehicles      | Other Assets  | Total            |
|---------------------------------|---------------|---------------------------|-------------------|-----------------|--------------|------------------|----------------------|---------------|---------------|------------------|
| <b>Gross carrying amount</b>    |               |                           |                   |                 |              |                  |                      |               |               |                  |
| <b>As at 1 April 2020</b>       | <b>4.18</b>   | <b>858.46</b>             | <b>13,070.31</b>  | <b>1,742.56</b> | <b>90.66</b> | <b>110.49</b>    | <b>53.98</b>         | <b>547.03</b> | <b>215.37</b> | <b>16,693.04</b> |
| Additions during the year       | -             | -                         | -                 | -               | -            | -                | -                    | -             | -             | -                |
| Less: Disposals                 | -             | -                         | -                 | -               | -            | -                | -                    | -             | -             | -                |
| <b>As at 31 March 2021</b>      | <b>4.18</b>   | <b>858.46</b>             | <b>13,070.31</b>  | <b>1,742.56</b> | <b>90.66</b> | <b>110.49</b>    | <b>53.98</b>         | <b>547.03</b> | <b>215.37</b> | <b>16,693.04</b> |
| Additions during the year       | -             | -                         | -                 | -               | -            | -                | -                    | -             | -             | -                |
| Less: Disposals                 | -             | 60.76                     | 3,207.62          | -               | 60.69        | 110.49           | 53.98                | 520.85        | 37.77         | 4,052.17         |
| <b>As at 31 March 2022</b>      | <b>4.18</b>   | <b>797.69</b>             | <b>9,862.69</b>   | <b>1,742.56</b> | <b>29.97</b> | <b>-</b>         | <b>-</b>             | <b>26.18</b>  | <b>177.60</b> | <b>12,640.86</b> |
| <b>Accumulated depreciation</b> |               |                           |                   |                 |              |                  |                      |               |               |                  |
| <b>Up to 31 March 2020</b>      | <b>-</b>      | <b>618.27</b>             | <b>7,643.00</b>   | <b>826.50</b>   | <b>86.65</b> | <b>106.13</b>    | <b>50.99</b>         | <b>518.86</b> | <b>204.94</b> | <b>10,055.34</b> |
| Charge for the year             | -             | 22.52                     | 321.14            | 165.71          | 0.01         | 0.23             | 0.60                 | 1.34          | 2.87          | 514.42           |
| Less: Disposals                 | -             | -                         | -                 | -               | -            | -                | -                    | -             | -             | -                |
| <b>Up to 31 March 2021</b>      | <b>-</b>      | <b>640.79</b>             | <b>7,964.14</b>   | <b>992.21</b>   | <b>86.66</b> | <b>106.36</b>    | <b>51.59</b>         | <b>520.20</b> | <b>207.81</b> | <b>10,569.75</b> |
| Charge for the year             | -             | 20.11                     | 278.95            | 135.71          | 0.00         | 0.17             | 0.00                 | 0.74          | 2.00          | 437.68           |
| Less: Disposals                 | -             | 55.27                     | 2,854.95          | -               | 58.10        | 106.53           | 51.59                | 496.62        | 37.49         | 3,660.55         |
| Discarded Value                 | -             | 5.49                      | 352.67            | -               | 2.59         | 3.96             | 2.39                 | 24.23         | 0.29          | 391.62           |
| Impirement Loss                 | -             | 117.03                    | 2,045.51          | -               | 0.60         | -                | -                    | 0.01          | 0.66          | 2,163.81         |
| <b>Up to 31 March 2022</b>      | <b>-</b>      | <b>728.15</b>             | <b>7,786.32</b>   | <b>1,127.91</b> | <b>31.76</b> | <b>3.96</b>      | <b>2.39</b>          | <b>48.55</b>  | <b>173.26</b> | <b>9,902.30</b>  |
| <b>Net carrying amount</b>      |               |                           |                   |                 |              |                  |                      |               |               |                  |
| <b>As at 31 March 2022</b>      | <b>4.18</b>   | <b>75.03</b>              | <b>2,429.04</b>   | <b>614.65</b>   | <b>0.81</b>  | <b>-</b>         | <b>-</b>             | <b>1.86</b>   | <b>4.62</b>   | <b>3,130.18</b>  |
| <b>As at 31 March 2021</b>      | <b>4.18</b>   | <b>217.67</b>             | <b>5,106.17</b>   | <b>750.35</b>   | <b>4.00</b>  | <b>4.13</b>      | <b>2.39</b>          | <b>26.83</b>  | <b>7.57</b>   | <b>6,123.28</b>  |

**Panyam Cements and Mineral Industries Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 3(b): Capital work-in-progress**

(₹ in Lakhs)

| Particulars                     | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Cap Works In Progress(P&M)      | 1,708.43                              | 1,236.98                              |
| Cap Works In Progress (Oth)     | -                                     | 0.03                                  |
| Building Under Construction     | 157.84                                | 157.84                                |
| Stock Capital Items             | -                                     | 920.82                                |
| <b>Total equity investments</b> | <b>1,866.27</b>                       | <b>2,315.66</b>                       |

As on 31.03.2022

| CWIP                           | Amount in CWIP for a period of |           |           |                      | Total*   |
|--------------------------------|--------------------------------|-----------|-----------|----------------------|----------|
|                                | Less than<br>1 year            | 1-2 years | 2-3 years | More than<br>3 years |          |
| Projects in progress           | 471.45                         | -         | -         | 1,394.82             | 1,866.27 |
| Projects temporarily suspended |                                |           |           |                      |          |

As on 31.03.2021

| CWIP                           | Amount in CWIP for a period of |           |           |                      | Total*   |
|--------------------------------|--------------------------------|-----------|-----------|----------------------|----------|
|                                | Less than<br>1 year            | 1-2 years | 2-3 years | More than<br>3 years |          |
| Projects in progress           | -                              | -         | -         | 2,315.66             | 2,315.66 |
| Projects temporarily suspended |                                |           |           |                      |          |

**Note 4(a) Non-current Investments**

(₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| <b>Investment in equity instruments at fair value through other comprehensive income (fully paid)</b>  |                                       |                                       |
| <b>Quoted</b>  |                                       |                                       |
| 3255 (31 <sup>st</sup> March, 2020:8100) equity shares of Bank of Baroda                               | 3.63                                  | 2.35                                  |
| <b>Unquoted</b>  |                                       |                                       |
| 1,25,00,000 (31 <sup>st</sup> March, 2021:1,25,00,000) equity shares of M/s S.P.Y. Agro Industries Ltd | -                                     | 2,700.66                              |
| <b>Total equity investments</b>  | <b>3.63</b>                           | <b>2,703.01</b>                       |
| <b>Total non-current investments</b>   | <b>3.63</b>                           | <b>2,703.01</b>                       |
| Aggregate amount of quoted investments and market value thereof  | 3.63                                  | 2.35                                  |
| Aggregate amount of un-quoted investments  | -                                     | 2,700.66                              |
| Aggregate amount of impairment in the value of investments   | -                                     | -                                     |

**Panyam Cements and Mineral Industries Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 4(b): Other non-current financial assets** (₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| Security Deposits with Power Distribution Corporation Ltd | 202.89                                | 18.80                                 |
| <b>Total</b>  | <b>202.89</b>                         | <b>18.80</b>                          |

**Note 5: Other non-current assets** (₹ in Lakhs)

| Particulars      | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|------------------|---------------------------------------|---------------------------------------|
| Capital Advances | 1,790.10                              | 1,771.76                              |
| <b>Total</b>     | <b>1,790.10</b>                       | <b>1,771.76</b>                       |

**Note 6: Inventories** (₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Raw Materials at cost                                      | 63.74                                 | 82.19                                 |
| Work-in-progress   | -                                     | 31.14                                 |
| Stores and spares, chemicals, fuel and packing materials * | 28.29                                 | 605.35                                |
| Coal and packing materials                                 | -                                     | 161.91                                |
| <b>Total</b>   | <b>92.03</b>                          | <b>880.59</b>                         |

\* The Inventory is found in damaged condition watch can't be not useful in further production and some of the spares are outdated. After due verification and considering the safety and quality measurements the mngnagement desided that the old inventory may not be useful and provided the scarp value of apprx. 28.29 lakshs.

**Note 7(a): Trade receivables** (₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Unsecured and considered good*                                     | -                                     | -                                     |
| Unsecured and considered doubtful                                  | -                                     | 2,737.34                              |
|  | -                                     | <b>2,737.34</b>                       |
| <b>Impairment Allowance (allowance for bad and doubtful debts)</b> | -                                     | (388.37)                              |
| <b>Total trade receivables</b>                                     | -                                     | <b>2,348.97</b>                       |

\*(Refer Note No.30 for transcnctions with related parties)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

No interest is charged on Trade Receivables for delay in payment beyond credit period from the due date of the Invoice.

**Panyam Cements and Mineral Industries Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Aging of receivables**

(₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Within credit period   | -                                     | -                                     |
| Upto 60 days past due  | -                                     | -                                     |
| 61-90 days past due  | -                                     | -                                     |
| 91-180 days past due   | -                                     | -                                     |
| more than 180 days past due                                  | -                                     | 2,737.34                              |
| <b>Total trade receivables (before impairment allowance)</b> | <b>-</b>                              | <b>2,737.34</b>                       |

**Movement in Expected Credit Loss allowance :**

(₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| <b>Balance at beginning of the year</b>   | <b>388.37</b>                         | <b>388.37</b>                         |
| Movement in Expected Credit Loss allowance on trade receivables "calculated at lifetime expected credit losses" | -388.37                               | -                                     |
| <b>Balance at end of the year</b>   | <b>-</b>                              | <b>388.37</b>                         |

**Note 7(b): Cash and cash equivalents**

(₹ in Lakhs)

| Particulars         | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---------------------|---------------------------------------|---------------------------------------|
| Balances with banks |                                       |                                       |
| Current Account     | 705.17                                | 19.41                                 |
| Cash on hand        | -                                     | 0.27                                  |
| <b>Total</b>        | <b>705.17</b>                         | <b>19.67</b>                          |

**Note 7(c): Bank balances other than Cash and cash equivalents**

(₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| Balance with Banks in Margin Money/<br>Fixed Deposits for LC/BG | -                                     | 0.76                                  |
| <b>Total</b>  | <b>-</b>                              | <b>0.76</b>                           |

**Note 7(d): Loans**

(₹ in Lakhs)

| Particulars                           | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Inter Corporate loans-Related parties | -                                     | 10,482.91                             |
| <b>Total</b>                          | <b>-</b>                              | <b>10,482.91</b>                      |

**Panyam Cements and Mineral Industries Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 7(e): Other current financial assets** (₹ in Lakhs)

| Particulars                        | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|------------------------------------|---------------------------------------|---------------------------------------|
| Property of land under development | -                                     | 3.91                                  |
| Tender/Security/Telephone Deposits | -                                     | 101.62                                |
| Interest Receivable                | -                                     | 0.19                                  |
| <b>Total</b>                       | <b>-</b>                              | <b>105.72</b>                         |

**Note 8: Other current assets** (₹ in Lakhs)

| Particulars                                  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Advance to Suppliers                         | 16.28                                 | 438.04                                |
| Prepaid Insurance and other Expenses         | -                                     | 4.35                                  |
| Advance excise duties/CENVAT/VAT/Service tax | -                                     | 228.45                                |
| GST Input Tax Credit                         | 181.32                                | -                                     |
| Other advances                               | -                                     | 86.22                                 |
| <b>Total</b>                                 | <b>197.60</b>                         | <b>757.07</b>                         |

**Note 9: Current tax liability** (₹ in Lakhs)

| Particulars              | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--------------------------|---------------------------------------|---------------------------------------|
| Provision for income tax | -                                     | 423.34                                |
| Less: Advance tax & TDS  | -                                     | 107.18                                |
| <b>Closing balance</b>   | <b>-</b>                              | <b>316.16</b>                         |

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 10: Equity share capital and other equity**

(₹ in Lakhs)

**10(a) Equity share capital**

| Particulars   | As at 31st<br>March, 2022 | As at 31st<br>March, 2021 |
|---|---------------------------|---------------------------|
| <b>(a) Authorised Share Capital :</b><br>1,85,00,000 Equity Shares of Rs.10/- each<br>(as at 31 <sup>st</sup> March 2021 1,85,00,000 Equity Shares of<br>Rs.10/- each)        | 1,850.00                  | 1,850.00                  |
| <b>(b) Issued:</b><br>4,01,071 Equity shares of Rs.10/- each fully paid<br>(as at 31 <sup>st</sup> March 2021 1,68,66,739 Equity Shares of<br>Rs.10/- each)                   | 40.11                     | 1,686.67                  |
| <b>(c) Subscribed and fully paid</b><br>4,01,071 Equity shares of Rs.10/- each fully paid<br>(as at 31 <sup>st</sup> March 2021 1,68,61,199 Equity Shares of<br>Rs.10/- each) | 40.11                     | 1,686.12                  |
| <b>(d) Subscribed &amp; Not Fully Paid (forefeited)</b><br>5,540 Equity shares of Rs.10/- each  | -                         | 0.30                      |
| <b>Total</b>  | <b>40.11</b>              | <b>1,686.42</b>           |

**Reconciliation of the number of equity shares outstanding**

Number of shares

| Particulars  | As at 31st<br>March, 2022 | As at 31st<br>March, 2021 |
|--|---------------------------|---------------------------|
| <b>At the beginning of the year</b>  | 1,68,61,199               | 1,68,61,199               |
| Add: Issued during the year  | -                         | -                         |
| Less: Reduction during the year as per approved<br>resolution plan by NCLT | 1,64,60,128               | -                         |
| <b>At the end of the year</b>  | <b>4,01,071</b>           | <b>1,68,61,199</b>        |

**Terms/ rights attached to equity shares**

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. 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.

**Details of shareholders holding more than 5% shares in the company**

| Name of the shareholder | As at 31st March, 2022 |              | As at 31st March, 2021 |               |
|-------------------------|------------------------|--------------|------------------------|---------------|
|                         | No.of shares           | % of holding | No.of shares           | % of holding  |
| S.P.Y.Reddy             | -                      | 0.00%        | 1,731,404              | 10.27%        |
| S.Sreedhar Reddy        | -                      | 0.00%        | 2,076,007              | 12.31%        |
| V.Suresh                | -                      | 0.00%        | 1,878,102              | 11.14%        |
| S.Parvathi              | -                      | 0.00%        | 971,861                | 5.76%         |
| S.Sujala                | -                      | 0.00%        | 1,142,774              | 6.78%         |
| V.Aravinda Rani         | -                      | 0.00%        | 1,073,081              | 6.36%         |
| <b>TOTAL</b>            | -                      | <b>0.00%</b> | <b>8,873,229</b>       | <b>52.63%</b> |



**Panyam Cements and Mineral Industries Limited**

Notes to financial statements for the year ended 31<sup>st</sup> March, 2022

**Details of promotor's share holding**

| Name of the shareholder | As at 31 <sup>st</sup> March 2022 |              | As at 31 <sup>st</sup> March 2021 |                  | % of change in total number of shares during the year |
|-------------------------|-----------------------------------|--------------|-----------------------------------|------------------|---|
|                         | No. of shares                     | % of holding | No. of shares                     | % of holding     |   |
| S.P.Y.Reddy             | -                                 | 0.00%        | 1,731,404                         | 10.27%           | 100.00%   |
| S.Sreedhar Reddy        | -                                 | 0.00%        | 2,076,007                         | 12.31%           | 100.00%   |
| V.Suresh                | -                                 | 0.00%        | 1,878,102                         | 11.14%           | 100.00%   |
| S.Parvathi              | -                                 | 0.00%        | 971,861                           | 5.76%            | 100.00%   |
| S.Sujala                | -                                 | 0.00%        | 1,142,774                         | 6.78%            | 100.00%   |
| V.Aravinda Rani         | -                                 | 0.00%        | 1,073,081                         | 6.36%            | 100.00%   |
|                         |                                   | -            | <b>0.00%</b>                      | <b>8,873,229</b> | <b>52.63%</b>   |

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents legal ownership of shares as at balance sheet date.

The Company has no Subsidiaries/Associates and has no Holding Company.

**10(b) Other Equity**

(₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
|---|------------------------------------|------------------------------------|
| (i) Share premium                                   | 1,570.57                           | 1,570.57                           |
| (ii) Capital Redemption Reserve                     | 74.19                              | 74.19                              |
| (iii) Capital Reserve                               | 1,665.61                           | -                                  |
| (iv) Retained earnings                              | (7,259.28)                         | (27,534.02)                        |
| (v) Reserve for items of Other comprehensive income | (2,296.56)                         | (2,297.84)                         |
| <b>Total</b>  | <b>(6,245.47)</b>                  | <b>(28,187.10)</b>                 |

**(i) Share premium**

(₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
|--|------------------------------------|------------------------------------|
| Opening balance                                      | 1,570.57                           | 1,570.57                           |
| Issue of equity shares by exercise of share warrants | -                                  | -                                  |
| <b>Closing balance</b>                               | <b>1,570.57</b>                    | <b>1,570.57</b>                    |

**(ii) Capital redemption reserve**

(₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
|--|------------------------------------|------------------------------------|
| Opening balance  | 74.19                              | 74.19                              |
| Add: Transfer from Surplus in Statement of Profit & Loss | -                                  | -                                  |
| <b>Closing balance</b>                                   | <b>74.19</b>                       | <b>74.19</b>                       |

**Panyam Cements and Mineral Industries Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**(iii) Capital reserve** (₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| Opening balance   | -                                     | -                                     |
| Add:Reduction of Eq. Share Capital &<br>Pref. Share Capital during the year | 1,665.61                              | -                                     |
| <b>Closing balance</b>  | <b>1,665.61</b>                       | -                                     |

**(iv) Retained earnings** (₹ in Lakhs)

| Particulars                      | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Opening balance                  | (27,534.02)                           | (25,435.55)                           |
| Transferred during the year      | -                                     | -                                     |
| Net profit/(loss) for the period | 20,274.74                             | (2,098.47)                            |
| <b>Closing balance</b>           | <b>(7,259.28)</b>                     | <b>(27,534.02)</b>                    |

**(v) Reserve for items of Other Comprehensive income** (₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| <b>Change in fair value of FVOCI - equity instruments<br/>(Net of taxes)*</b> |                                       |                                       |
| - Opening balance   | (2,297.84)                            | -                                     |
| - Net gains/(losses) on FVTOCI equity securities<br>during current year       | 1.28                                  | (2,297.84)                            |
| <b>Closing balance</b>  | <b>(2,296.56)</b>                     | <b>(2,297.84)</b>                     |

\* tax impact is not considered

**Note 11: Other Non-Current financial liabilities** (₹ in Lakhs)

| Particulars   | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| <b>Unsecured</b>  |                                       |                                       |
| Amount Received from Resolution Applicants<br>(To be Converted into Equity) | 10,050.00                             | -                                     |
| JR Super Speciality Hospitals Pvt Ltd                                       | 4,000.00                              | -                                     |
| <b>Total</b>  | <b>14,050.00</b>                      | -                                     |

**Panyam Cements and Mineral Industries Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 12(a): Current borrowings** (₹ in Lakhs)

| Particulars                                 | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|---|---------------------------------------|---------------------------------------|
| <b>Current borrowings</b>                   |                                       |                                       |
| <b>Current maturities of long term debt</b> | -                                     | <b>9,873.13</b>                       |
| <b>Secured from banks</b>                   |                                       |                                       |
| Cash Credits & Interest dues                | -                                     | 3,231.42                              |
| <b>Total</b>                                | -                                     | <b>13,104.55</b>                      |

**Note 12(b): Trade payables** (₹ in Lakhs)

| Particulars      | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|------------------|---------------------------------------|---------------------------------------|
| Trade payables * | 81.59                                 | 2,575.56                              |
| <b>Total</b>     | <b>81.59</b>                          | <b>2,575.56</b>                       |

**Aging of trade payables** (₹ in Lakhs)

| Particulars   | Outstanding for the following from<br>due date of payment |           |           |                      | Total        |
|---|---|-----------|-----------|----------------------|--------------|
|   | Less than<br>1 year                                       | 1-2 years | 2-3 years | More than<br>3 years |              |
| (i) MSME  | -   | -         | -         | -                    | -            |
| (ii) Others   | 81.59   | -         | -         | -                    | 81.59        |
| (iii) Disputed dues - MSME                                    | -   | -         | -         | -                    | -            |
| (iv) Disputed dues - Others                                   | -   | -         | -         | -                    | -            |
| <b>Total trade payables<br/>(before impairment allowance)</b> | <b>81.59</b>  | -         | -         | -                    | <b>81.59</b> |

**Note 12(c): Other Current financial liabilities** (₹ in Lakhs)

| Particulars  | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| <b>Secured</b>   |                                       |                                       |
| Interest accrued on NCDs payable within 12 months              | -                                     | 14,186.79                             |
| <b>Unsecured</b>   |                                       |                                       |
| Preference share capital                                       | -                                     | 19.30                                 |
| Caution Deposits from Dealers/Employees payable on demand      | -                                     | 40.48                                 |
| Employees Salaries, Bonus and P F recoveries and contributions | -                                     | 2,660.03                              |
| Power Charges and Other expenses payable                       | -                                     | 5,642.73                              |
| <b>Others</b>  |                                       |                                       |
| Trade deposits from dealers                                    | -                                     | 217.49                                |
| Caution deposits from contractors                              | -                                     | 11.47                                 |
| Advances against staff quarters (pending for final settlement) | -                                     | 78.15                                 |
| APSEB 10% Voltage Surcharge                                    | -                                     | 100.80                                |
| <b>Total</b>   | -                                     | <b>22,957.25</b>                      |

**Panyam Cements and Mineral Industries Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Defaults in repayment of borrowings. Refer note 12(c).**

**Preference share capital**

Cumulative Preference Shares have fallen due for redemption on 25.07.1999 and the Company has requested the institutional shareholders for extension of repayment period.

During the Year 2019-20 case filed in NCLT for Corporate Insolvency Resolution Process (CIRP) by IDBI Trusteeship Services Limited. IDBI Trusteeship Services Limited acting in its capacity as debenture Trustees and for the benefit of Debenture Holders i.e., EW India Special Assessts Pte.Limited and E Cap Equities Limited under the Debenture Trustee Ship has issued a notice to the Company recalling the amount due under NCDs and calling upon the payment of amount due together with further interest. It was also stated in the said notice, if the Company/Promoter Gurantor failed to comply with the requisitions contained in the recall notice, the Trustees / Debenture Holders shall be constrained to initiate proceedings under Insolvency and Bankruptcy Code 2016 for Corporate Insolvency Resolution Process (CIRP) of the Company and other appropriate proceedings for the recovery of the aforesaid dues. The Trustees have filed a case during the year 2019-2020 in NCLT for CIRP of the company being defaulted in payment of NCDs together with interest dues. The NCLT has issued order for CIRP of the company on 14-05-2020 and the CIRP is under process.

**Note 13: Other current liabilities**

(₹ in Lakhs)

| Particulars                                    | As at 31 <sup>st</sup><br>March, 2022 | As at 31 <sup>st</sup><br>March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Statutory Dues                                 | -                                     | 14,294.24                             |
| Advances from customers                        | -                                     | 745.16                                |
| Liabilities for outstanding expenses           | 61.65                                 | 11.74                                 |
| Advances against Joint Development of Property | -                                     | 24.22                                 |
| <b>Total</b>                                   | <b>61.65</b>                          | <b>15,075.37</b>                      |

**Panyam Cements and Mineral Industries Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 14: Revenue from operations**

(₹ in Lakhs)

| Particulars      | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|------------------|---|---|
| Sale of products | -   | -   |
| <b>Total</b>     | -   | -   |

**Note 15: Other income**

(₹ in Lakhs)

| Particulars  | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|--|---|---|
| Interest on Bank and other deposits                                  | -   | 1.80  |
| Interest on Inter corporate loans and advances<br>to related parties | -   | 180.67  |
| Rent Receipts  | 0.89  | 0.80  |
| Credit Balance Write Off   | 28,380.81   | -   |
| Other Receipts   | 0.00  | 0.65  |
| <b>Total</b>   | <b>28,381.70</b>  | <b>183.92</b>   |

**Note 16(a): Cost of materials consumed**

(₹ in Lakhs)

| Particulars                    | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|--------------------------------|---|---|
| Opeining Stock of Raw Material | -   | -   |
| Add: Purchases                 | 63.74   | -   |
| Less: Closing Stock            | 63.74   | -   |
| <b>Total</b>                   | -   | -   |

**Note 16(b): Employee Benefit Expense**

(₹ in Lakhs)

| Particulars                           | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|---------------------------------------|---|---|
| Salaries, Wages, Bonus and Allowances | 42.99   | 243.96  |
| Contribution to ESI & Provident Fund  | 1.00  | 0.89  |
| Staff Welfare expenses                | 76.08   | 91.35   |
| <b>Total</b>                          | <b>120.07</b>   | <b>336.19</b>   |

**Panyam Cements and Mineral Industries Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 17: Finance cost**

(₹ in Lakhs)

| Particulars                                    | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|--|---|---|
| On Working capital cash credits and adhoc loan | -   | 63.58   |
| On Hire Purchase Loans                         | -   | 1.29  |
| Interest on Debentures                         | -   | 821.37  |
| On Others                                      | -   | 248.70  |
| <b>Total</b>                                   | -   | <b>1,134.94</b>   |

**Note 18: Other Expenses**

(₹ in Lakhs)

| Particulars                               | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|---|---|---|
| Insurance                                 | 4.65  | 3.68  |
| Repairs & Maintenance                     |   |   |
| a) Plant & Machinery                      | -   | 4.09  |
| b) Others                                 | -   | 4.59  |
| Rates & Taxes                             | 11.14   | 11.61   |
| Travelling and conveyance                 | 10.28   | 0.01  |
| Printing and stationery                   | 0.92  | 0.33  |
| Postage and Telephones                    | 0.03  | 0.25  |
| Payment to Auditors                       |   |   |
| a) As Auditor                             | 3.50  | 3.00  |
| b) Others                                 | 0.95  | -   |
| Advertisement                             | 5.71  | 1.93  |
| Legal & Professional Fee and Expenses     | 204.62  | 152.86  |
| Bank Charges                              | 0.96  | 0.06  |
| Vehicle Maintenance                       | 6.92  | 2.56  |
| Admin Expenses                            | 110.32  | 13.36   |
| Security Charges at Factory               | 45.61   | 13.94   |
| Railway Sliding Charges                   | 1.95  | 2.58  |
| Demurrages & Penalties                    | -   | 68.07   |
| Debit Balances written off                | 6,133.15  | -   |
| Expenses/Income relating to Earlier Years | -   | 13.92   |
| One Time Settlement to Various Parties    | 393.07  | -   |
| Success Fee                               | 56.21   | -   |
| License Fee                               | 25.35   | -   |
| <b>Total</b>                              | <b>7,015.34</b>   | <b>296.85</b>   |

**Panyam Cements and Mineral Industries Limited**

Notes to financial statements for the year ended 31<sup>st</sup> March, 2022

**Note 19: Exceptional items**

(₹ in Lakhs)

| Particulars  | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|--|---|---|
| <b><u>a) Reduction of Liabilities as per approved NCLT Order</u></b>       |   |   |
| SBI - CC a/cs  | 254.34  | -   |
| Bank Of India  | 0.35  | -   |
| HP Finance   | 30.52   | -   |
| NCD (Edelweiss Ground) Outstanding Balance                                 | 4,140.85  | -   |
| Unsure Loans Others  | 34.15   | -   |
| Advances & Dealers, Trade & Caution Deposits                               | 512.88  | -   |
| Advance from Debtors   | 54.85   | -   |
| Staff Advances   | 11.64   | -   |
| Advance to Creditors & Other advances                                      | 36.74   | -   |
| Deposits with Govt. Authorities  | 0.07  | -   |
| <b><u>b) Written off of Unrealised Receivables</u></b>                     |   |   |
| Advances & Dealers Deposits  | -28.57  | -   |
| Advance to Debtors   | -6.73   | -   |
| Capital - WIP  | -2,692.61   | -   |
| Non- Operative Bank Balances & Margine Money                               | -5.44   | -   |
| Staff Advances   | -3.19   | -   |
| Advance to Creditors & Other advances                                      | -136.53   | -   |
| Deposits with Govt. Authorities  | -346.65   | -   |
| Claim Settled Agst. Counter Guarentee given to Banks on behalf of Spy Agro | -146.79   | -   |
| <b><u>c) Written off of Fixed Assets</u></b>                               |   |   |
| Loss on Disposal of Fixed Assets   | -395.52   | -   |
| Impairment loss of Fixed Assets  | -2,163.81   | -   |
| <b>Total</b>   | <b>-849.45</b>  | <b>-</b>  |

**Note 20: Other Comprehensive Income (OCI)**

(₹ in Lakhs)

| Particulars                                    | For the<br>period ended<br>31 <sup>st</sup> March, 2022 | For the<br>period ended<br>31 <sup>st</sup> March, 2021 |
|--|---|---|
| Net gains/(losses) on FVTOCI equity securities | 1.28  | 0.61  |
| Tax effect                                     | -   | -   |
| <b>Total</b>                                   | <b>1.28</b>   | <b>0.61</b>   |

**Panyam Cements and Mineral Industries Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Note 21: Earning Per Share (EPS)**

(₹ in Lakhs)

| <b>Particulars</b>   | <b>For the<br/>period ended<br/>31<sup>st</sup> March, 2022</b> | <b>For the<br/>period ended<br/>31<sup>st</sup> March, 2021</b> |
|--|---|---|
| <b>EPS</b>   |   |   |
| Net Profit After Tax available for<br>Equity Shareholders  | 20,274.74   | (2,098.47)  |
| Weighted Average Number of Equity Shares<br>of Rs.10/- each  | 4.01  | 168.61  |
| Basic Earning per Share  | 5,055.15  | (12.45)   |
| <b>DPS</b>   |   |   |
| Net Profit After Tax available for<br>Equity Shareholders  | 20,274.74   | (2,098.47)  |
| Weighted Average Number of<br>Equity Shares of Rs.10/- each *  | 80.21   | 168.61  |
| Diluted Earning per Share  | 252.76  | (12.45)   |
| * Preferential allotment for resolution applicant is pending at BSE, however the same is considered in calculation of DPS as there are no pending conditions to be satisfied for allotment |   |   |



**Explanatory notes and other information:**

**Note 22: Contingent Liabilities and Commitments:**

(₹ in Lakhs)

| Sl. No | Particulars   | As of 31 <sup>st</sup> March, 2022 | As of 31 <sup>st</sup> March, 2021 |
|--------|---|------------------------------------|------------------------------------|
| 1      | As a signatory to the Memorandum of Cement Allocation and Co-ordinating Organization  | NIL                                | 1.00                               |
| 2      | Guarantees given by the Bankers (Net of margin money paid)  | NIL                                | 0.76                               |
| 3      | Corporate guarantee given to SIPCOT for the financial assistance availed by M/s Cheran Cement Limited (Liability as on 30.04.2013 as per Recall Order dt. 24.5.2013)  | NIL                                | 3,174.79                           |
| 4      | Corporate guarantee given to SBI, SBH, Bank of India, Syndicate Bank, Indian Overseas Bank, Central Bank of India and Canara Bank for financial assistance availed by S.P.Y. Agro Industries Limited. During the Year 2019-20, the above Bankers have claimed the Corporate Guarantee for Rs.11162.26 and admitted by the Resolution Professional under CIRP Ordered by NCLT. | NIL                                | 11,174.52                          |
| 5      | Arrears of dividend on "C" Cumulative Preference shares held by institutions, being not redeemed and requested for extension of time  | NIL                                | 56.70                              |
| 6      | Estimated amount of contracts remaining to be executed on capital account (Net of advances)   | NIL                                | 1,332.75                           |
| 7      | <b>Claims against the Company not acknowledged as debts being disputed and pending in appeals:</b>  |                                    |                                    |
| (i)    | <b>CENTRAL EXCISE:</b>  |                                    |                                    |
| a)     | CENVAT credits availed and utilized were subsequently disallowed by the Department and differential duty on Imported Coal and are pending in Appeals or before CESTAT or High Court of concerned jurisdiction   | NIL                                | 434.83                             |
| b)     | Differential Duty on Cement supplies made to direct parties, the Company has contested in appeals and are pending before the Commissioner of Appeals or CESTAT/or A.P High Court/Supreme Court.   | NIL                                | 2,472.72                           |
| (ii)   | <b>ELECTRICITY MATTERS:</b>   |                                    |                                    |
| a)     | Claim of APSEB for 10% voltage surcharge for the period from September 1983 to November 1984 contested. High Court granted stay and directed APSEB to dispose off the pending representations made by the company.  | NIL                                | 30.64                              |
| b)     | Fuel Surcharge Adjustment (FSA) charges for the years 2008-09,2009-10 and for the first quarter of 2010-11 payable to APCPDCL contested by the industrial units Including the company before the Hon'ble High Court of A.P. and the High Court granted stay for the year  |                                    |                                    |

|             |   |     |          |
|-------------|---|-----|----------|
|             | 2009-10 and first quarter 2010-11 and the favorable order of the High Court for the year 2008-09 was referred to Supreme Court and the same is pending.   | NIL | 53.56    |
| <b>iii)</b> | <b>INCOME TAX MATTERS</b>   |     |          |
| a)          | The Assessing Officer (Dy. Commissioner of Income Tax, Kurnool) has raised demand for payment of capital gains tax on land under Joint Development Agreement for the Assessment year 2006-07 of Rs. 3309.50 lakhs including Interest up to 31.3.2014. The company contested the demand before the Commissioner of Income Tax Appeals, Hyderabad and the appeal were disposed in favour of the company vide order dated 12th February 2018. The Department filed second appeal before Appellate Tribunal, Hyderabad and the matter is pending before Tribunal. | NIL | 3,309.50 |
| b)          | The Assessing Officer has re-opened the assessment for the Assessment year 2008-09 and demand raised for MAT liability on book profit under section 115JB of Income Tax Act, of Rs. 979.77 lakhs including Interest up to 31.3.2016. The Company contested the demand before the Commissioner of Income Tax Appeals, Kurnool. The Commissioner disposed the appeal in favour of the Company vide Order dated 9.1.18. The Assessing Officer filed second appeal before the ITAT, Hyderabad and it is pending.  | NIL | 979.77   |
| c)          | The Assessing Officer (Asst. Commissioner of Income Tax, Kurnool) has re-opened the assessment for the assessment year 2009-10 under section 147 of the Income Tax Act and raised demand for Rs.4702.73 lakhs including Interest up to 31.12.2017. The Company contested the demand before the Commissioner of Income Tax Appeals, Kurnool and the Commissioner disposed the appeal in favour of the Company vide Order dated 5.7.18. The Assessing Officer filed further appeal before the ITAT, Hyderabad and it is pending.                                | NIL | 4,702.73 |
| d)          | The Assessing Officer (Asst. Commissioner of Income Tax, Kurnool) has reopened the assessment for the Assessment year 2010-11 under section 147 of the Income Tax Act and the company contested the demand before the Commissioner of Income Tax Appeals, Kurnool and the Appeal is pending for disposal.   | NIL | 169.54   |
| e)          | The Assessing Officer (Asst. Commissioner of Income Tax, Kurnool) has raised the demand for Capital Gain Tax for the Assessment Year 2013-14 of Rs.1768.67 lakhs including Interest up to 31.3.2016. The company contested the demand before the CIT (Appeals), Kurnool. The Commissioner disposed the appeal in  |     |          |

|            |  |          |          |
|------------|--|----------|----------|
|            | favour of the Company. The Asst. Commissioner of Income Tax, Kurnool filed second appeal before the Appellate Tribunal, Hyderabad. The company filed the cross objections before ITAT on 23.8.2018 and the matter is pending.  | NIL      | 1,768.67 |
| <b>iv)</b> | <b>COMMERCIAL TAX MATTERS</b>  |          |          |
| a)         | Demand raised by the Commercial Tax Department, Tamilnadu in respect of levy of penalty for the assessment year 1994-95 contested in appeal before Appellate Authority and the matter was remanded to assessing authority.   | NIL      | 5.56     |
| <b>v)</b>  | <b>OTHER MATTERS</b>   |          |          |
|            | Suits filed by the parties against the company and pending in Appeals/ Courts  | NIL      | 120.45   |
| <b>vi)</b> | <b>Corporate Insolvency Resolution Process initiated under Insolvency and Bankruptcy Code, 2016. before The National Company Law Tribunal, Hyderabad.</b>  |          |          |
| a)         | M/s SKP Labs Private Limited, Hyderabad (formerly known as Sri Karthikeya Chemicals Pvt. Ltd), the buyer of the Flats has entered into agreement under Registered Document No.29565/2006-07 dt.15.03.2007 for purchase of 13,500 Sq. ft for consideration of Rs.252.50 Lakhs and paid advance of Rs.90.19 Lakhs and 2 flats registered for consideration of Rs.65.97 Lakhs and balance amount of Rs.24.22 Lakhs is pending as advance. The company cancelled the agreement to sell since the balance amount was not paid by the party as per the agreement and executed 5 sale deeds in favour of other parties. Against this, the party during the year 2019-2020 filed a case in the Court of City Civil Judge, Bengaluru for cancellation of 5 Registered sale deeds executed by the company and to arrange for sale deeds in favour of Sri Karthikeya Chemicals Pvt Ltd / their nominees and liquidated damages of Rs.135 lakhs together with interest at 18% amounting to Rs.243 Lakhs and further interest or alternative to pay damages of Rs.1156.89 lakhs. The case is pending for disposal before the Court. | NIL      | 1,156.89 |
| 8          | Claims against the Company before the National Company Law Appellate Tribunal, Hyderabad against the allocation of funds in the approved resolution plan by Hon'ble NCLT, Hyderabad.   |          |          |
| i)         | Assistant Commissioner of Central Tax (Excise & Service Tax) Up to 14 May, 2022  | 3,122.21 | NIL      |
| ii)        | Employee Provident Fund Organization Up to 14 May, 2022  | 722.71   | NIL      |
| iii)       | APSPDCL Up to 14 May, 2022   | 4,702.24 | NIL      |

**Note 23: Additional Regulatory Information in accordance with the requirement of Schedule III:**

- (i) Title deeds of Immovable Property:  
All the immovable properties owned by the company are held in the name of the company.
- (ii) Revaluation of Property, Plant and Equipment:  
During the year the company has revalued its Property, Plant and Equipment by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.
- (iii) Loans or Advances to Promoters, Directors, KMPs and the related parties:  
During the year the company has not granted any Loans or Advances to Promoters, Directors, KMPs and the related parties.
- (iv) There are no intangible assets under development.
- (v) Benami Property:  
During the year no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (vi) The Company has not borrowed any loans against securities of current assets.
- (vii) The company has never declared as willful defaulter by any bank or financial institution or other lender.
- (viii) During the year the company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (ix) There is no charges or satisfaction to be registered with Registrar of Companies beyond the statutory period.
- (x) The Company has no investments in subsidiaries
- (xi) Analytical Ratios: (₹ in Lakhs)

| Particulars  | Metric       | as at 31 <sup>st</sup><br>March 2022 | as at 31 <sup>st</sup><br>March 2021 | Variance<br>%   |
|--|--------------|--------------------------------------|--------------------------------------|-----------------|
| Current Assets (a)   | ₹            | 994.80                               | 14,595.69                            |                 |
| Current Liabilities (b)  | ₹            | 143.24                               | 54,028.89                            |                 |
| <b>Current Ratio (a/b)</b>   | <b>Times</b> | <b>6.95</b>                          | <b>0.27</b>                          | <b>2470.84%</b> |
| Total Debt<br>(Non-current + current borrowings)(c)  | ₹            | 14,050.00                            | 3,231.42                             |                 |
| Shareholder's Equity (d)   | ₹            | (6,205.36)                           | (26,500.68)                          |                 |
| <b>Debt-Equity Ratio (c/d)</b>   | <b>Times</b> | <b>(2.26)</b>                        | <b>(0.12)</b>                        | <b>1756.83%</b> |
| Earnings available for debt service<br>(Net Profit after taxes + Non-cash expenses + interest + loss on sale of Fixed assets etc.) (e) | ₹            | 20,274.74                            | (2,098.47)                           |                 |
| Debt Service<br>(Interest and Payments + Principal Repayments) (f)   | ₹            | 14,050.00                            | 3,231.42                             |                 |
| <b>Debt Service Coverage Ratio (e/f)</b>   | <b>Times</b> | <b>1.44</b>                          | <b>(0.65)</b>                        | <b>-322.21%</b> |

|   |              |               |             |                  |
|---|--------------|---------------|-------------|------------------|
| Net Profit after taxes (g)                                    | ₹            | 20,274.74     | (2,098.47)  |                  |
| Average Shareholder's Equity<br>({Opening + Closing}/2) (h)   | ₹            | (16,353.02)   | (25,451.45) |                  |
| <b>Return on Equity Ratio (g/h)</b>                           | <b>Times</b> | <b>(1.24)</b> | <b>0.08</b> | <b>-1603.72%</b> |
| Cost of goods sold (i)  | ₹            | -             | -           |                  |
| Average Inventory ({Opening + Closing}/2) (j)                 | ₹            | 486.31        | 880.59      |                  |
| <b>Inventory Turnover Ratio (i/j)</b>                         | <b>Times</b> | <b>0</b>      | <b>0</b>    | <b>0</b>         |
| Net Credit Sales (k)  | ₹            | -             | -           |                  |
| Average Accounts Receivable<br>({Opening + Closing}/2) (l)    | ₹            | 1,174.49      | 2,348.97    |                  |
| <b>Trade receivables turnover Ratio (k/l)</b>                 | <b>Times</b> | <b>0</b>      | <b>0</b>    | <b>0</b>         |
| Net Credit Purchases (m)                                      | ₹            | 63.74         | -           |                  |
| Average Accounts Payables<br>({Opening + Closing}/2) (n)      | ₹            | 1,328.57      | 2,575.56    |                  |
| Trade Payables turnover Ratio                                 | Times        | 0.05          | 0           | -                |
| Net Sales (o)   | ₹            | -             | -           |                  |
| Working Capital<br>(Current assets - Current liabilities) (p) | ₹            | 851.56        | (39,433.20) |                  |
| Net Capital turnover Ratio (o/p)                              | Times        | 0             | 0           | 0                |
| Net Profit after Tax  | ₹            | 20,274.74     | (2,098.47)  |                  |
| Net Sales   | ₹            | -             | -           |                  |
| Net Profit Ratio (q/r)  | Times        | -             | -           | -                |
| <b>Earnings before interest and Taxes (s)</b>                 | ₹            | 20,808.62     | (3,233.41)  |                  |
| Capital Employed  |              |               |             |                  |
| (Net Worth + Total Debt + Deferred Tax Liability)(t)          | ₹            | 7,844.64      | (23,269.26) |                  |
| <b>Return on Capital employed (s/t)</b>                       | <b>Times</b> | <b>2.65</b>   | <b>0.14</b> | <b>1808.94%</b>  |
| Net Profit (u)  | ₹            | 20,274.74     | (2,098.47)  |                  |
| Net Worth (v)   | ₹            | (6,205.36)    | (26,500.68) |                  |
| <b>Return on investment (u/v)</b>                             | <b>Times</b> | <b>(3.27)</b> | <b>0.08</b> | <b>-4226.12%</b> |

(xii) **Compliance with approved Scheme(s):**

The RP had filed an application before Hon'ble NCLT for approval of the resolution plan on June 09, 2021. It is pertinent to note that the Hon'ble NCLT has approved the revised resolution plan dated May 19, 2021, of RVC SPL and SPL as joint bidders on June 25, 2021, read with rectified order of the Hon'ble NCLT dated 10th July 2021 ("**Approval Order**").

The Resolution plan dated 19.05.2021 for an amount of Rs. 100,50,00,000/- (Rupees One hundred crores and fifty lakhs only) provided for the stake holders under the resolution plan is as under:

(₹ in crores)

| Sl. No.                | Category of Stakeholder*                             | Sub-category of stakeholder   | Amount Claimed | Amount Admitted | Amount provided under the plan # | Amount provided to the amount claimed (%) |
|------------------------|--|---|----------------|-----------------|----------------------------------|---|
| (1)                    | (2)  | (3)   | (4)            | (5)             | (6)                              | (7)                                       |
| 1                      | Secured Financial Creditors                          | a) Creditors not having a right to vote under sub-section (2) of section 21 | -              | -               | -                                | -   |
|                        |  | b) Other than (a) above: right to vote under sub-section (2) of section 21  |                |                 |                                  |   |
|                        |  | <b>Total [(a) + (b)]</b>  | <b>273.38</b>  | <b>272.97</b>   | <b>88.75</b>                     | <b>32.51%</b>                             |
| 2                      | Un-Secured Financial Creditors                       | a) Creditors not having a right to vote under sub-section (2) of section 21 | -              | -               | -                                | -   |
|                        |  | b) Other than (a) above: right to vote under sub-section (2) of section 21  |                |                 |                                  |   |
|                        |  | <b>Total [(a) + (b)]</b>  | <b>114.35</b>  | <b>113.13</b>   | <b>1.15</b>                      | <b>1.33%</b>                              |
| 3                      | Operational Creditors                                | a) Related party of the corporate debtor                                    | -              | -               | -                                | -   |
|                        |  | b) Other than (a) above:  |                |                 |                                  |   |
|                        |  | i. Government   | 189.91         | 159.37          | 0.22                             | 0.14%                                     |
|                        |  | ii. Workmen   |                |                 |                                  |   |
|                        |  | a. Workmen dues for 24 months   | 3.76           | 3.76            | 1.22                             | 32.51%                                    |
|                        |  | b. More than 24 months  | 1.02           | 0.96            | -                                | -   |
|                        |  | iii. Employees  |                |                 |                                  |   |
|                        |  | a. Employees dues for 12 months   | 3.08           | 3.08            | 1.00                             | 32.51%                                    |
|                        |  | b. More than 12 months  | 6.39           | 5.59            | -                                | -   |
|                        |  | iv. Suppliers, Service Providers & Contractors                              | 97.76          | 85.04           | 0.12                             | 0.14%                                     |
| v. Provident Fund dues | 9.57   | 9.22  | 3.21           | 34.83%          |                                  |   |
|                        | <b>Total [(a) + (b)]</b>                             | <b>699.92</b>   | <b>653.12</b>  | <b>96.02</b>    | <b>14.70%</b>                    |   |
| 4                      | Other than Operation creditors filled through from F |   | 60.53          | -               | -                                | -   |
| <b>Grand Total</b>     |  |   | <b>759.75</b>  | <b>653.12</b>   | <b>96.02</b>                     | <b>14.70%</b>                             |

The effect of above scheme of arrangement have been accounted for in the books of accounts of the company in accordance with the scheme and the accounting standards and there is no deviation in this regard.

As per para 18 of the approved order, it is clarified under the Insolvency and Bankruptcy Code, 2016, all crystallized liabilities and unclaimed liabilities of the corporate debtor as on the date of the order shall stand extinguished on the approval of the Resolution Plan.

Further, as per para 18 of the approved order, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in the above table.

(xii) The Company has utilised the borrowed funds for the purpose it is taken.

There is no additional information to be disclosed as per the requirements of part II of division II of Schedule III to the companies Act, 2013 other than items presented and disclosed here under.

(xiii) There is no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(xiv) The company is not under the obligation to spend for CSR under section 135 of the companies Act, 2013.

(xv) During the year the Company has not traded or invested in Crypto Currency or Virtual Currency.

#### **Disclosers in accordance with accounting standards**

#### **Note 24: Segment Reporting**

The business activity and geographical operations of the company is in one segment of cement product and hence segment reporting is not applicable.

#### **Note 25: Related party transactions:**

##### **a) Names of related parties and description of relationship:**

| <b>Description of Relationship</b>  | <b>Name of related party</b>                   |
|---|--|
| Enterprises where significant influence/control of key managerial personnel or their relatives exists | S.P.Y. Agro Industries Limited                 |
|   | Sujala Pipes Private Limited                   |
|   | Cheran Cements Limited                         |
|   | Integrated Thermo Plastics Limited             |
|   | Sujala Infrastructure Private Limited          |
|   | Anantha PVC Pipes Private Limited              |
|   | Nandi Polymers India Private Limited           |
|   | Nandi PVC Products Private Limited             |
|   | Nandi CPVC Pipe Products India Private Limited |
|   | Nandi Pipes Private Limited                    |
|   | SPY Reddy Educational Society                  |
|   | RV Consulting Services Pvt Ltd                 |
|   | Sagar Power Limited                            |

|                          |                         |
|--------------------------|-------------------------|
| Key Management Personnel | Sri S. Sreedhar Reddy   |
|                          | Sri V. Suresh Kumar     |
|                          | Sri V. Ramnath          |
|                          | Dr. R.K. Prasad Sunkara |
|                          | Smt V. Aravinda Rani    |
|                          | Sri P.J. Reddy          |
|                          | Sri Panduranga Rao      |
|                          | Sri S. Nageshwara Reddy |
|                          | Sri Tanghavel Palani    |
|                          | Sri Aravindan Palani    |
|                          | Ms. Sakthi Sri Devi     |
|                          | Ms. Diya Venkatesan     |

b) **Summary of transactions with the related parties is as follows:**

(₹ in Lakhs)

| Sl. No.  | Nature of Transaction   | Transaction Value for the Year ended |         | Balance as at |            |
|--|---|--------------------------------------|---------|---------------|------------|
|  |   | 2021-22                              | 2020-21 | 2021-22       | 2020-21    |
| <b>Transactions with Enterprises where significant influence/control of key managerial personnel or their relatives exists</b> |   |                                      |         |               |            |
| 1  | Sales/advances and receivable   | NIL                                  | NIL     | NIL           | 264.23     |
| 2  | Corporate Guarantee given to SBI, SBH, Bank of India, Syndicate Bank, Indian Overseas Bank, Canara Bank and Central Bank for Financial assistance availed by S.P.Y. Agro Industries Limited | NIL                                  | NIL     | NIL           | 11,174.52  |
| 3  | Amount received from Resolution Applicants for Implementation of Plan approved by Hon'ble NCLT  | NIL                                  | NIL     | NIL           | 3,174.79   |
| 4  | Purchases and services availed from and due to enterprises in which KMP or relatives of KMP have control / significant influence  | NIL                                  | NIL     | NIL           | (1,213.54) |
| 5  | Sales and services provided to and due from Associate Companies   | NIL                                  | NIL     | NIL           | 12.44      |
| 6  | Advances/Inter-corporate Deposits given to Associate Companies  | NIL                                  | 146.53  | NIL           | 10,482.91  |
| 7  | Investment in Equity Shares of M/s. S.P.Y. Agro Industries Limited  | NIL                                  | NIL     | NIL           | (503.81)   |
| 8  | Amount received for implementation of resolution plan approved by the Hon'ble NCLT submitted by RV consulting Services Pvt Ltd & Sagar Power Ltd jointly                                    | 10,050.00                            | NIL     | 10,050.00     | NIL        |
| 9  | Advance given to RV consulting Services Pvt Ltd for repairs and renovation of the plant   | 1,790.10                             | NIL     | 1,790.10      | NIL        |
| <b>Transactions with Key Management Personnel</b>  |   |                                      |         |               |            |
| 10   | Remuneration to Key Management personnel  | 4.66                                 | NIL     | 4.66          | 52.30      |



Figures have been rounded off to the nearest decimal of Lakhs under Notes to Accounts. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**Note 26: Fair value measurements**

**a) Financial instruments by category**

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

(₹ in Lakhs)

| Particulars  | FVTPL | FVTOCI      | Amortized cost | Total         |
|--|-------|-------------|----------------|---------------|
| <b>Financial assets:</b>                           |       |             |                |               |
| Investments  |       |             |                |               |
| Equity instruments                                 |       | 3.63        | -              | 3.63          |
| Trade receivables                                  |       | -           | -              | -             |
| Cash and cash equivalents                          |       | -           | 705.17         | 705.17        |
| Bank balances other than Cash and cash equivalents |       | -           | -              | -             |
| Loans  |       | -           | -              | -             |
| Other financial assets                             |       | -           | 202.89         | 202.89        |
| <b>Total Financial assets</b>                      |       | <b>3.63</b> | <b>908.07</b>  | <b>911.70</b> |
| <b>Financial Liabilities:</b>                      |       |             |                |               |
| Borrowings   |       |             |                |               |
| Trade payables                                     |       | -           | 81.59          | 81.59         |
| Other financial liabilities                        |       | -           | -              | -             |
| <b>Total Financial liabilities</b>                 |       | <b>-</b>    | <b>81.59</b>   | <b>81.59</b>  |

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

(₹ in Lakhs)

| Particulars  | FVTPL | FVTOCI          | Amortized cost   | Total            |
|--|-------|-----------------|------------------|------------------|
| <b>Financial assets:</b>                           |       |                 |                  |                  |
| Investments  |       |                 |                  |                  |
| Equity instruments                                 |       | 2,703.01        | -                | 2,703.01         |
| Trade receivables                                  |       | -               | 2,348.97         | 2,348.97         |
| Cash and cash equivalents                          |       | -               | 19.67            | 19.67            |
| Bank balances other than Cash and cash equivalents |       | -               | 0.76             | 0.76             |
| Loans  |       | -               | 10,482.91        | 10,482.91        |
| Other financial assets                             |       | -               | 124.52           | 124.52           |
| <b>Total Financial assets</b>                      |       | <b>2,703.01</b> | <b>12,976.83</b> | <b>15,679.84</b> |
| <b>Financial Liabilities:</b>                      |       |                 |                  |                  |
| Borrowings   |       |                 |                  |                  |
| Trade payables                                     |       | -               | 3,231.42         | 3,231.42         |
| Other financial liabilities                        |       | -               | 2,575.56         | 2,575.56         |
| Other financial liabilities                        |       | -               | 32,830.37        | 32,830.37        |
| <b>Total Financial liabilities</b>                 |       | <b>-</b>        | <b>38,637.36</b> | <b>38,637.36</b> |

**b) Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as of 31<sup>st</sup> March 2022:

Fair value measurement (₹ in Lakhs)

|   | Level - 1   | Level - 2 | Level - 3 | Total       |
|---|-------------|-----------|-----------|-------------|
| <b>Financial assets</b>   |             |           |           |             |
| <b>Financial instruments at FVTOCI Investments in Quoted equity instruments</b> |             |           |           |             |
| equity shares of Vijaya Bank Ltd  | 3.63        | -         | -         | 3.63        |
| <b>Investments in Un-Quoted equity instruments</b>                              |             |           |           |             |
| equity shares of M/s S.P.Y. Agro Industries Ltd                                 | -           | -         | -         | -           |
| <b>Total Financial assets</b>   | <b>3.63</b> | <b>-</b>  | <b>-</b>  | <b>3.63</b> |

Quantitative disclosures fair value measurement hierarchy for assets as of 31<sup>st</sup> March 2021:

Fair value measurement (₹ in Lakhs)

|  | Level - 1   | Level - 2 | Level - 3       | Total           |
|--|-------------|-----------|-----------------|-----------------|
| <b>Financial assets</b>  |             |           |                 |                 |
| <b>Financial instruments at FVTOCI Investments in Quoted equity instruments</b>        |             |           |                 |                 |
| equity shares of BOB (effective 01.04.2019 Vijaya Bank Ltd merged with Bank of Baroda) | 2.35        | -         | -               | 2.35            |
| <b>Investments in Un-Quoted equity instruments</b>                                     |             |           |                 |                 |
| equity shares of M/s S.P.Y. Agro Industries Ltd  | -           | -         | 2,700.66        | 2,700.66        |
| <b>Total Financial assets</b>  | <b>2.35</b> | <b>-</b>  | <b>2,700.66</b> | <b>2,703.01</b> |

**Reconciliation of Level 3 fair value measurements**

Investment in unquoted shares irrevocably designated as FVTOCI

(₹ in Lakhs)

| Particulars                                      | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March 2021 |
|--|------------------------------------|-----------------------------------|
| Opening balance                                  | 2700.66                            | 2700.66                           |
| Total gains/losses in other comprehensive income | (2700.66)                          | -                                 |
| <b>Closing balance</b>                           | <b>-</b>                           | <b>2,700.66</b>                   |

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Note: There are no transfers between levels 1 and 2 during the year.

## Note 27: Capital Management & Risk management Capital management

The Company being in a capital-intensive industry, its objective is to maintain a strong credit rating healthy capital ratio and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk."

### Gearing ratio

The Company monitors its capital using gearing ratio, which is total debt divided to total equity as given below:

(₹ in Lakhs)

| Particulars                             | As at 31 <sup>st</sup><br>March,2022 | As at 31 <sup>st</sup><br>March 2021 |
|---|--------------------------------------|--------------------------------------|
| Total Debt*                             | 14,050.00                            | 24,059.92                            |
| Equity share capital                    | 40.11                                | 1,686.42                             |
| Other equity                            | (6,245.47)                           | (28,187.10)                          |
| Cumulative redeemable preference shares | -                                    | 19.30                                |
| Total equity                            | (6,205.36)                           | (26,481.38)                          |
| <b>Total debt to Total equity ratio</b> | <b>(2.26)</b>                        | <b>(0.91)</b>                        |

\*Total Debt is defined as secured long-term including current maturities of borrowings excluding cumulative redeemable preference shares.

### Financial risk management and objectives and policies

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements. The Company activities exposed it to market risk (including price risk), credit risk and liquidity risk. A Special Team with Senior Executives having exposure in various fields has been formed to assist Managing director in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organization faces such as market risk(including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Managing Director and CFO, monitors and reports on the principal risks and uncertainties that can impact the company and its ability to achieve strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

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**A. Market risk**

"Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and equity prices. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables and investments."

The Company's investments in listed and non-listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The Company's Board of Directors reviews and approves all equity investment decisions.

**B. Credit risk**

"Credit risk refers to the risk that the counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, steps will be taken by the Marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company, the sales are backed by letters of credit or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken. Export sales are fully secured through letters of credit or against advance receipts. (refer Note No.8(a) for Trade Receivable outstanding)."

**C. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast

and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) **Financing arrangements**

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date

(₹ in Lakhs)

| Particulars                                    | On demand | < 1 Year         | 1-5 Years | 5 + Years | Total            |
|--|-----------|------------------|-----------|-----------|------------------|
| <b>As at 31<sup>st</sup> March, 2022</b>       |           |                  |           |           |                  |
| Borrowings                                     | -         | -                | -         | -         | -                |
| Other financial liabilities                    | -         | 14,050           | -         | -         | 14,050           |
| <b>Total non-current financial liabilities</b> | -         | <b>14,050</b>    | -         | -         | <b>14,050</b>    |
| Current borrowings                             | -         | -                | -         | -         | -                |
| Trade payables                                 | -         | 81.59            | -         | -         | 81.59            |
| Other current financial liabilities            | -         | -                | -         | -         | -                |
| <b>Total current financial liabilities</b>     | -         | <b>81.59</b>     | -         | -         | <b>81.59</b>     |
| <b>As at 31<sup>st</sup> March, 2021</b>       |           |                  |           |           |                  |
| Borrowings                                     | -         | -                | -         | -         | -                |
| Other financial liabilities                    | -         | -                | -         | -         | -                |
| <b>Total non-current financial liabilities</b> | -         | -                | -         | -         | -                |
| Current borrowings                             | -         | 3,231.42         | -         | -         | 3,231.42         |
| Trade payables                                 | -         | 2,575.56         | -         | -         | 2,575.56         |
| Other current financial liabilities            | -         | 32,830.37        | -         | -         | 32,830.37        |
| <b>Total current financial liabilities</b>     | -         | <b>38,637.35</b> | -         | -         | <b>38,637.35</b> |

**Note 28: Dues to Micro, Small and Medium Enterprises.**

|      |  |     |     |
|------|--|-----|-----|
| I)   | Principal amount remaining unpaid as on 31 <sup>st</sup> March, 2022   | NIL | NIL |
| II)  | Interest due thereon as on 31 <sup>st</sup> March, 2022  | NIL | NIL |
| III) | Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the suppliers beyond the appointed day during the year.  | NIL | NIL |
| IV)  | 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 under the Act.  | NIL | NIL |
| V)   | Interest accrued and remaining unpaid as at 31 <sup>st</sup> March, 2022   | NIL | NIL |
| VI)  | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act. | NIL | NIL |

|      |   |     |     |
|------|---|-----|-----|
| VII) | Amount shown against dues to Micro, Small and Medium Enterprises under the head Trade Payables represents amount outstanding as on 31 <sup>st</sup> March, 2022 which is not due for payment. | NIL | NIL |
|------|---|-----|-----|

Previous year figures have been reclassified where ever necessary so as to conform with previous year figures

As per our attached report of even date

**For K S Rao & Co**

Chartered Accountants

Firm's Regn No.003109S

For and on behalf of the Board

**M/s Panyam Cements and Mineral Industries Limited**

**(CA P.GOVARDHANA REDDY)**

Partner

Membership No.029193

**Palani Thangavel**

Director

DIN: 09448684

**Aravindan Palani**

Director

DIN: 09448703

**DIYA VENKATESAN**

Company Secretary & CFO

M.No: A55736

Place: Hyderabad

Date: September 02, 2022





**PANYAM CEMENTS AND  
MINERAL INDUSTRIES LIMITED**

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