



Independent Auditors' Report on Revised Annual Financial Results of Panyam Cements & Mineral Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Panyam Cements & Mineral Industries Limited

Qualified Opinion

We have audited the financial results for the year ended 31 March 2023, in the accompanying "Statement of Financial Results for the Quarter and Year ended March 31, 2023" of **Panyam cements & Mineral Industries Limited** being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the financial results for the year ended March 31, 2023 except for the effects of the matter described in the **Basis for Qualified Opinion** section of our report:

- i). are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and
- ii). give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the LOSS and other comprehensive income and other financial information for the year ended 31 March 2023.

Basis for Qualified Opinion on the Audited Financial Results for the year ended March 31, 2023

The Company has not adopted and complied with the requirements of Ind AS-19 'Employee Benefits' in respect of the Gratuity liability which constitute a departure from the Accounting standards mentioned in the Companies (Indian Accounting Standards) Rules 2015 referred in section 133 of the Act. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the loss for the year, income tax and shareholder's funds

Emphasis of Matter We draw attention to the Note (1) of FY 2022-2023 Q4 audited financial results which describes the revision on Q4 Audited results which were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 05 2023.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion.



Management's Responsibilities for the Statements

This Statement of annual financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2023 have been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the financial results for the quarter and year ended March 31, 2023 that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities

(a) Audit of the Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the financial results for the year ended March 31, 2023 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 financial results.

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 Annual Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company 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 Statement 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 Annual financial results, including the disclosures, and whether the Annual Financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial results of the company to express an opinion on the Annual financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results may be influenced. We consider quantitative materiality and quantitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Financial Results.

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.

.Other Matters

The statements includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subjected to limited review by us. Our report on the statement is not modified in respect of this matter.

Place: Hyderabad

Date:04/09/2023

for **K. S. RAO & Co**

Chartered Accountants

FirmRegistrationNo:003109S

(P.GOVARDHANA REDDY)

Partner

Membership no:029193

UDIN **23029193 B9W4KW9423**





PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED
REGD. OFFICE: 10/156, CEMENT NAGAR, KURNOOL - 518 206 (A.P)
CIN NO: L26940AP1955PLC000546, web: www.panyamcements.in

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023 (REVISED)

(₹ in lakhs, except per share data and unless otherwise stated)

SN	Particulars	QUARTER ENDED			YEAR ENDED	
		31.03.2023 (Audited)	31.12.2022 (Un-Audited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.3.2022 (Audited)
I	Revenue from operations	269.99	1,487.55	-	3,885.76	-
II	Other income	17.89	4.83	0.46	24.53	28,381.70
III	Total revenue (I+II)	287.88	1,492.38	0.46	3,910.29	28,381.70
IV	Expenses					
	a)Cost of materials consumed	466.24	948.64	-	3,660.32	-
	b)Purchase of stock-in-trade	-	-	-	-	-
	c)Changes in inventories of finished goods, work in progress and stock-in-trade	(136.51)	136.12	-	(150.95)	-
	d)Excise duty on sale of goods	-	-	-	-	-
	e)Employee benefit expense	99.89	217.26	43.40	398.18	120.07
	f)Finance Cost	5.12	-	-	5.12	-
	g)Depreciation/ amortization expense	133.90	101.46	104.16	443.69	437.68
	h)Power and fuel	411.18	151.53	-	695.11	-
	i)Other expenses	277.48	1,282.07	611.05	1,900.17	7,015.34
	Total expenses (a to i)	1,257.28	2,837.09	758.62	6,951.62	7,573.08
V	Profit/ (loss) before exceptional items and tax (III-IV)	(969.41)	(1,344.71)	(758.15)	(3,041.34)	20,808.62
VI	Exceptional items (refer note no.6)	(2,265.35)	-	(2,559.33)	(2,944.01)	(849.45)
VII	Profit/ (loss) before tax (V+VI)	(3,234.76)	(1,344.71)	(3,317.48)	(5,985.35)	19,959.17
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
	Earlier years income tax	-	-	-	-	(315.57)
VIII	Tax expenses	-	-	-	-	(315.57)
IX	Profit/ (loss) for the period (VII-VIII)	(3,234.76)	(1,344.71)	(3,317.48)	(5,985.35)	20,274.74
X	Other comprehensive income					
	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)	(0.55)	1.73	0.97	1.86	1.28
XI	Total comprehensive income for the period (X+XI)	(3,235.31)	(1,342.98)	(3,316.52)	(5,983.49)	20,276.02
	Equity Share Capital	802.14	40.11	40.11	802.14	40.11
	Other Equity	(3,785.51)	(1,350.05)	(3,290.63)	(12,228.95)	(6,245.47)
	Earnings per equity share:(par share Rs 10)					
	Basic	(203.30)	(335.28)	(827.16)	(376.18)	5,055.15
	Diluted	(203.30)	(16.76)	(41.36)	(376.18)	252.76

Notes:

- The above results are revision on the audited results which were considered by the audit committee and approved by the board at their meeting held on 27.05.2023. There was a miscalculation of depreciation in original accounts of Rs. 550.25 lakhs which resulted in loss for the quarter ended and for the year ended March 31, 2023 by Rs. 550.25 lakhs, the same was rectified in the revised results.
- The above audited results (revised) were reviewed by Audit committee and approved by the Board of Directors at their Meetings held as on 04-09-2023.
- The company's business operations comprises single operating segments viz, Cement and Cementitious Materials
- The financial results of the company have been prepared in accordance with Indian Accounting standards (IND AS) as prescribed under section 133 of the companies Act 2013 read with Companies (Indian Accounting standards) Rules 2015 (as amended).
- The figures for the Quarter ended 31-03-2023 and 31-03-2022 are the balancing figures between audited results in respect of full financial year and published year to date upto the third quarter of the relevant financial year.
- The figures for the corresponding previous Year/Quarter have been restated/regrouped and reclassified, wherever necessary to conform with those of the Quarter under Report..
- Exceptional items for the year ended 31.03.2023 of Rs 29.44 crores include refurbishing cost of Rs 10.86 crores incurred to restart the Operations after a gap of 4 years . The Company's operations were ceased in December 2018.
- The company started its Clinker production operations on 02nd March 2023. the figures for current year are not directly comparable with that of previous year figures.
- The company had allotted 76,20,300 Equity shares of Rs 10/- each on preferential basis to its promoters on 03-Feb -2023 . Consequently the Basic and Diluted Earnings Per Share were worked out on prorata basis in accordance with IND AS 33

Place : Chennai
Date : September 04, 2023.

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Jagathrakshakan Srinisha
(Managing Director)
DIN: 01728749

Panyam Cements and Mineral Industries Limited
CIN: L26940AP1955PLC000546
Balance Sheet as at March 31, 2023
All amounts are in ₹ Lakhs unless otherwise stated

Statement of Assets & Liabilities

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2A	9,348.85	3,130.18
(b) Capital work-in-progress	2B	1,439.42	1,866.27
(c) Other Intangible Assets	2A	15.75	-
(d) Financial Assets			
(i) Investments	3	5.50	3.63
(ii) Other financial assets	4	211.50	202.89
(e) Other non-current a	0	112.93	1,790.10
Total Non-current assets		11,133.95	6,993.08
Current assets			
(a) Inventories	0	1,080.16	92.03
(b) Financial assets			
(i) Trade receivables	0	137.37	-
(ii) Cash and cash equivalents	0	242.71	705.17
(iii) Bank balances other than cash and cash equivalents	0	554.65	-
(iv) Other financial assets	4	26.63	-
(c) Current tax assets (Net)	0	12.41	-
(d) Other current assets	0	1,861.82	197.60
Total Current assets		3,915.75	994.80
TOTAL ASSETS		15,049.70	7,987.88
EQUITY AND			
Equity			
(a) Equity share capital	0	802.14	40.11
(b) Other equity	0	(12,228.95)	(6,245.47)
Total Equity		(11,426.81)	(6,205.36)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liability	0	22.86	-
(b) Provisions	0	11.75	-
(c) Deferred tax liabilities (net)		-	-
(d) Other non-current liabilities	0	-	-
Total Non-current liabilities		34.61	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	0	23,050.00	14,050.00
(ia) Lease Liability	0	19.79	-
(ii) Trade payables	0	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than (msme)		2,949.38	81.59
(iii) Other financial liabilities	0	185.52	-
(b) Provisions	0	-	-
(c) Income tax liabilities (net)		-	-
(d) Other current liabilities	0	237.21	61.65
Total Current liabilities		26,441.90	14,193.24
TOTAL EQUITY AND LIABILITIES		15,049.70	7,987.88

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Jagathrakshakan Srinisha
Managing Director
DIN: 01728749

Place: Chennai
Date: Sept 04, 2023

Statement on Impact of Audit Qualifications (for audit report with modified opinion) for the financial year ended 31st March, 2023 (Regulation 33 of SEBI (LODR) Regulations, 2015)

S. No.	Particulars	Audited figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	3885.76	3885.76
2.	Total Expenditure	6951.62	6951.62
3.	Net Profit/(Loss)	(5983.49)	(5983.49)
4.	Earnings Per Share (In Rs)	(376.18)	(376.18)
5.	Total Assets	15,049.70	15,049.70
6.	Total Liabilities	15,049.70	15,049.70
7.	Net Worth	(11426.81)	(11426.81)
8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

a. Audit Qualification:

The Company has not adopted and complied with the requirements of Ind AS-19 'Employee Benefits' in respect of the Gratuity liability which constitute a departure from the Accounting standards mentioned in the Companies (Indian Accounting Standards) Rules 2015 referred in section 133 of the Act. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the loss for the year, income tax and shareholder's funds.

- b. Type of qualification: Modified
- c. Frequency of qualification: appeared first time.
- d. For Audit Qualification(s) where the impact is quantified: Not applicable
- e. For Audit Qualification(s) where the impact is not quantified:
 - (i) Management's estimation on impact
 - (ii) If management is unable to estimate the impact, reasons for the same:

Treatment of gratuity are not in conformity with Ind As — 19, Impact there in is not readily ascertainable.

Management reply: The company operations have begun during the year and production was upheld only in last month of the financial year ended 31st March, 2023.

The current management of the company is currently in the process of appointing an actuarial and necessary workings will be done and appropriate provision will be created in the coming quarters.

Auditor's comment is same as mentioned above and no other comment was made.



Yours Sincerely

For **PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED**

J
SRINISHA

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Date: 2023.09.04
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SRINISHA JAGATHRAKSHAKAN
MANAGING DIRECTOR
DIN- 01728749

Date: 04.09.2023