



24th
ANNUAL REPORT
2022-23

BARAK VALLEY CEMENTS LIMITED

BARAK VALLEY CEMENTS LIMITED

Annual Report 2022-2023

Composition of Board

Sh. Kamakhya Chamaria	Vice Chairman and Managing Director
Sh. Mahendra Kumar Agarwal	Vice Chairman and Non-Executive Director
Sh. Santosh Kumar Bajaj	Non Executive Director
Sh. Gaurav Tulshyan	Non-Executive Director
Sh. Dhanpat Ram Agarwal	Independent Director(Resigned w.e.f. 21.06.23)
Smt. Renu Kejriwal	Independent Director
Sh. Shyam Agarwal	Independent Director
Sh. Puran Chand	Independent Director
Sh. Vishal More	Additional Director (Appointed w.e.f.11.08.23)

Chief Executive Officer

Mr. Mukesh Kumar Shovasaria

Chief Financial Officer

Mr. Rajesh Aggarwal

Company Secretary & Compliance Officer

Mrs. Rachna Gambhir

Auditor

M/s P.K. Lakhani & Co.
Chartered Accountants,
301, 3rd Floor, Apna Bazar
Gurgaon, Haryana-122001

Registrar & Share Transfer Agents

MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020

Bankers and FIs

Industrial Development Bank of India (IDBI)
North Eastern Development Finance Corporation (NEDFi)

Offices:

Regd. Office & Works:

Debendra Nagar, Jhoombasti, P.O. Badarpurghat,
Badarpurghat, Distt. Karimganj, Assam- 788803

Corp. Office:

DSM 450-451-452, DLF
Towers, 15 Shivaji Marg,
Moti Nagar, Delhi-110015

Branches:

- 202, Royal View, B.K. Kakoti Road,
Ulubari, Guwahati, Assam-781007
- CF-361, Salt Lake City, Kolkata, West
Bengal-700064

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Website: www.barakcement.com

DIRECTORS' REPORT

To

The Members,

Barak Valley Cements Limited

The Directors of your Company are pleased to present the 24th Director's Report together with the Company's Audited Financial statements (*Standalone and Consolidated*) for the Financial Year ended 31st March 2023.

1. FINANCIAL RESULTS

The highlights of the financial performance of the Company for the financial year ended 31st March, 2023 as compared to the previous financial year are as under:

Particulars	(Rs. in Lacs)			
	Standalone		Consolidated	
	Year Ended as at 31 st March, 2023	Year Ended as at 31 st March, 2022	Year Ended as at 31 st March, 2023	Year Ended as at 31 st March, 2022
Revenue from Operations (net)	17446.26	17272.83	18257.54	17570.35
Other Income	120.95	209.83	152.46	250.63
Total Sales & other Income	17567.21	17482.66	18410.00	17820.98
Income before Finance Cost, Depreciation and Amortization and Income tax	2410.99	2112.02	2472.26	2186.47
Less: Depreciation and Amortization expenses	704.55	520.74	740.54	562.00
Profit before Interest and Income Tax	1706.44	1591.28	1731.72	1624.47
Less: Finance Cost	869.22	924.05	936.84	982.65
Profit/Loss before Exceptional items and Income Tax	837.22	667.24	794.88	641.81
Less: Exceptional items	-	759.00	-	759.00
Profit before Tax	837.22	(91.77)	794.88	(117.19)
Less: Provision for Income tax	-	-	-	-
- Current Income Tax	-	-	-	-
- Deferred Tax liability/(Assets)	257.11	335.54	272.77	334.91
- Earlier year provisions written back	-	-	-	-
Profit/(Loss) After tax	580.12	(427.30)	522.11	(452.09)

2. OVERVIEW AND THE STATE OF COMPANY'S AFFAIRS

The Company is principally engaged in the business of manufacturing of cement of different grades and is marketing its product under the brand name "**Valley Strong Cement**". Further, the business activities are carried out by the Company in the North East Region.

Gross Turnover of Company:

During the financial year 2022-23, the Company's gross turnover **increased by 1.00%** to Rs. 17,446.26 Lacs as compared to Rs. 17,272.83 Lacs in previous year.

Profit after Tax:

During the financial year 2022-23, Profit after Tax is increased to Rs. 580.12 Lacs as compared to Loss of Rs. (427.30) Lacs in previous year.

The business performance of the Company has been discussed in detail in the Management Discussion and Analysis Report attached separately as Annexure –I and forming part of this report and the Financial Statements are also attached separately forming part of this Report.

3. SUBSIDIARIES

Your Company has four wholly owned subsidiaries under review namely:-

- **Cement International Limited**

- **Badarpur Energy Private Limited**
- **Meghalaya Minerals and Mines Limited**
- **Valley Strong Cements (Assam) Limited**
 - a) **Cement International Limited**, wholly owned subsidiary of the Company is engaged in the business of manufacturing of Cement Clinker. During the year under review the Company's gross revenue was NIL.
 - b) **Badarpur Energy Private Limited**, wholly owned subsidiary of the Company is currently not operational.
 - c) **Meghalaya Minerals and Mines Limited**, wholly owned subsidiary of the Company is engaged in the business of extraction of Minerals. During the year under review the Company's gross revenue has been increased to Rs. 1759.68 Lacs as compared to Rs. 1107.76 Lacs during the previous year.
 - d) **Valley Strong Cements (Assam) Limited**, wholly owned material subsidiary of the Company has not commenced its commercial production.

The audited financial statements of your Company's subsidiaries and their related information are available on your Company's website and will be kept open for inspection at the Head Office of the Company, pursuant to Section 128 of the Companies Act, 2013 and the rules made thereunder. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies.

The statement containing the salient features of the financial statements of subsidiaries in pursuant to the proviso of sub-section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 relating to subsidiaries is annexed with the financial statements in the **Form AOC-1**.

The Board has also adopted policy for determining material subsidiaries and is available on the Website which can be accessed at the below mentioned link:

<https://barakcement.com/PDF/Company%20Policies/POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf>

Your Company does not have any Associate or Joint Venture.

4. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 read with the Indian Accounting Standards (IndAS) as prescribed by the Institute of Chartered Accountants of India, the Consolidated Financial Statements of the Company have been prepared and has been included as a part of this Report.

Further, pursuant to the provisions of Section 128 read with Section 136 of the Companies Act, 2013 the Financial Statements alongwith audit reports of each of the subsidiary companies are available for inspection by the Members during the working hours on all business days at the Registered Office of the Company. The Company shall also provide a copy of the financial statements of its subsidiary companies to the Members upon their request from registered email ID.

5. SHARE CAPITAL

The Equity Shares of the Company are being traded on National Stock Exchange of India Limited and BSE Limited, since 23rd November, 2007.

The Paid-up Share Capital of the Company as on 31st March, 2023 was Rs. 22,16,00,000/- (Rupees Twenty Two Crore Sixteen Lacs Only) divided into 2,21,60,000 (Two Crore Twenty One Lacs Sixty Thousand) Equity Shares of Rs. 10/- each and there was no change in capital structure of your Company during the year under review.

6. OPERATIONS

6.1 Standalone

The Standalone turnover of the Company stood at Rs. 17446.26 Lacs during the financial year 2022-23, which has been increased in comparison to previous year turnover of Rs. 17272.83 Lacs. The quantity of cement sales of the Company stood at 257254 MT which has been increased in comparison to previous year quantity of cement sales i.e 250554 MT. Your Company has earned a Profit of Rs. 580.12 Lacs during the financial year 2022-23, in comparison with the previous year loss of Rs. (427.30) Lacs.

6.2 Consolidated

During the financial year 2022-23, the consolidated revenue from operations has been increased to Rs.18257.54 Lacs as compared to Rs. 17570.35 Lacs during the previous year. Further, there was consolidated Profit of Rs. 522.10 Lacs in the financial year 2022-23 as compared to the consolidated loss of Rs. (452.09) Lacs during the previous year.

7. EXPANSION/MODERNIZATION

There was no expansion and modernization during the year ended 31st March 2023.

8. DIVIDEND

The Board of Directors of the Company after considering the financial and non-financial factors prevailing during the financial year 2022-23 decided not to recommend any dividend for the financial year 2022-23.

9. PUBLIC DEPOSITS AND BUY BACK OF SHARES

During the Financial Year 2022-23, your Company has not accepted any deposit from public/shareholders in accordance with Section 73 of the Companies Act, 2013 and rules made there under and hence no amount of principal or interest on deposits was outstanding as on 31st March, 2023.

Further, your company has not proposed or pending any Buy Back of Shares during the financial year 2022-23.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements for the Financial Year ended on 31st March, 2023 forming part of this Annual Report.

11. TRANSFER TO RESERVES

During the Financial Year 2022-23 your Directors do not propose to transfer any amount to the General Reserves of the Company.

12. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no such material change(s) and commitment(s) incurred in between the end of financial year of the company to which the financial statements relate and the date of reporting affecting the financial position of the Company.

13. PARTICULARS OF CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES

All the related party transactions during the period under review were entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"). There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders.

Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the applicable Accounting Standards.

All the Related Party Transactions are presented before the Audit Committee for their review and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

In line with the provisions of the Companies Act, 2013, the Company has framed policy on Related Party Transactions as approved by the Board is uploaded on the Company's website of the Company. One can access the same by clicking on below mentioned Link:

<https://barakcement.com/PDF/Company%20Policies/POLICY%20FOR%20DETERMINING%20MATERIAL%20RELATED%20PARTY%20TRANSACTION.pdf>

14. COMMITTEES OF THE BOARD OF DIRECTOR'S

Your Company has the following Seven Board-level Committees, which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit-Committee
- Sub-Audit Committee
- Nomination and Remuneration Committee
- Share transfer Committee
- Stakeholders Relationship Committee
- General Purpose Committee
- Corporate Social Responsibility Committee

The details with respect to the composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report on Corporate Governance, which forms part of the Annual Report. There has been no instance where the board has not accepted recommendation of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. *Further the legal provision mandating constitution of Risk Management Committee is not yet applicable to the Company.*

15. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In Compliance with Section 177 (9) & (10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a whistle blower policy and has established the necessary vigil mechanism for Employees, Directors and Senior Executives which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behavior, actual and suspected fraud, health safety and environmental issues.

The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The Whistle Blower Policy is provided on the website of the Company and may be accessed by clicking on the following link:

<https://www.barakcement.com/whistle-blower-policy/>

The contact details of the Vigilance and Ethics Officer is as under:-

Name – Mr. Mukesh Kumar Shovasaria
Address -Debendra Nagar, Jhoombasti,
P.O. Badarpur Ghat, Distt. Karimganj,
Assam-788803
Email Id- magarwal.bvcl@gmail.com
Contact No.- +91-9435078960

16. RISK MANAGEMENT

Risk is an integral and unavoidable component of business and Company's risk management process is designed to identify and mitigate risks that have the potential to materially impact its business objectives and maintains a balance between managing risk and making most of the opportunities. The Board is responsible for overseeing the overall risk management framework of the Company and the Company has been addressing and analyzing various risks impacting the Company including details of significant changes in key financial ratios which is more fully provided in annexed Management Discussion and Analysis Report attached herewith and forms part of this annual report.

The Audit Committee of Board keeps an eye on execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks are however done by key executives of the Company in a systematic manner. The risks are prioritized according to significance and likelihood. Risks having high likelihood and high significance are classified as '**key risk**'.

16A. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Your Company does not have material exposure of any commodity or foreign exchange and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated 15th November, 2018.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

The Management Discussion and Analysis Report for the financial year 2022-23 in line with the provisions of Regulation 34(2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached separately as **“Annexure 1”** and forms part of this Report.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since, the Profits of Financial Year 2022-23 are more than Rs.5cr (Rupees Five Crore only), the provisions of CSR i.e. Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are Applicable on your company from the Financial year 2023-24.

The Company’s CSR Policy is available on the website of Company (<https://www.barakcement.com/corporate-social-responsibility/>)

Composition of Committee is given below-

S.NO	NAME	DESIGNATION	CATEGORY
1	Mr. Kamakhya Chamaria	Chairman	(Executive-Non Independent)
2	Mr. Puran Chand	Member	(Non executive- Independent)
3	Mr. Mahendra Kumar Agarwal	Member	(Non executive-Non Independent)

A CSR Annual report is attached and marked as Annexure 1A.

19. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Your Company is committed to ensure that all are treated with dignity and respect and having zero tolerance towards sexual harassment at the workplace and towards this end and has also provided adequate access to complainants who wish to register a complaint under the policy. All employees (permanent contractual, temporary, trainees) are covered under the said policy.

During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

20. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has, on recommendation of the Nomination & Remuneration Committee of the Company in accordance with Para A of Part D and Regulation 19 of Listing Regulations has framed a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees, which includes the criteria for determining qualification, positive attributes, independence of director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013.

The Composition of the Board of Directors of the company’s as on the closure of financial year comprises an adequate mix of Executive, Non-Executive and Independent Directors in order to ensure and maintain the independence of the Board, and separate its functions of Governance and Management as provided in Regulation 17 of the Listing Regulations. As on March, 31 2023, the Board comprises of 8 members out of which 4 (Four) are Independent (including One Women Director) and 4 (Four) are Non- Independent Directors. Further, as on the aforesaid date, the Company has 7(Seven) non-executive directors and 1 (One) executive director. The Board periodically evaluates the need for its change in its composition and size.

The relevant details of the policy have been described in the Corporate Governance Report forming part of Annual Report of the Company. We also affirm that the Remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

21. CODE OF CONDUCT

With an intention to enhance integrity, ethics and transparency in governance of the Company, Your Company has adopted Code of Conduct for Directors and Senior Management Personnel of the Company. The Code of Conduct is also available at Company's Website (<https://www.barakcement.com/code-of-conduct/>)

22. EVALUATION OF BOARD'S PERFORMANCE

In accordance with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 including the Guidance Note issued by SEBI on Board Evaluation, the Board carries out the annual evaluation of its own performance, the working of its various Committees as well as the evaluation of its Directors individually.

Pursuant to Schedule II, Part D of LODR, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of reappointment of Independent Director.

The Board evaluation process comprises of both assessment and review, including analysis of the functioning of the Board and its Committees, the time spent by it in considering matters and whether the terms of reference of its Committees have been met, besides complying with the provisions of the Companies Act, 2013 and Listing Regulations. During the period under review, the evaluation of the performance of the Board, its Committees and individual directors was done, after seeking inputs from all the Directors by way of a questionnaire. The questionnaire was prepared in a structured manner, ascertaining the individual directors various attributes and their roles in bringing values to the deliberation and discussions at meetings.

The Board of Directors has also evaluated the functioning/performance of Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee and expressed satisfaction with their functioning/performance.

A report in brief on Board evaluation has been given in the Corporate Governance Report which may be taken as forming a part of this Report.

23. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the period under review, the details of Directors and Key Managerial Personnel were as follows:

- (i). The Shareholders of the Company approved re-appointment of Mr. Kamakhya Chamaria as Executive Director of the Company who was liable to retire by rotation in the Annual General Meeting of the Company held on 27th September, 2022.
- (ii). In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Mahendra Kumar Agarwal, Non Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. In view of his considerable experience, Directors of your company recommend his re-appointment as Director of the Company.
- (iii). The Key Managerial Personnel of the Company are:
 - Chief Executive Officer: Mr. Mukesh Kumar Shovasaria
 - Chief Financial Officer: Mr. Rajesh Aggarwal
 - Company Secretary: Mrs. Rachna Gambhir

Further, all other relevant details with regard to Board of Directors and Key Managerial Personnel are described in the Corporate Governance Report "**Annexure-5**" forming part of this Report.

24. DECLARATION BY INDEPENDENT DIRECTOR

Your Company's Independent Directors Mr. Dhanpat Ram Agarwal, Mr. Shyam Agarwal, Mr. Puran Chand and Mrs. Renu Kejriwal on the Board of your Company have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 and also they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Listing Regulations.

BARAK VALLEY CEMENTS LIMITED

The Board of Your Company formed the opinion that the Independent Directors of the Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience for performing their role as Independent Directors of the Company. With regard to proficiency, all the independent directors of the Company have registered themselves in the Data Bank maintained with Indian Institute of Corporate Affairs (IICA), Manesar. In terms of Section 150 of the Companies Act, 2013 and Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake an online proficiency self-assessment test conducted by the institute within a period of two years from the date of inclusion of his name in the data bank. Mr. Dhanpat Ram Agarwal is exempted from qualifying proficiency test due to his relevant expertise in listed public Company for a total period of not less than ten years, as on the date of inclusion of his name in the databank. However, Mr. Shyam Agarwal and Mr. Puran Chand, Independent Directors of the Company will appear for online proficiency test within one year from the date of restoration of their name in the data bank.

- Mr. Dhanpat Ram Agarwal has Resigned from the Board of the Company w.e.f 21-06-2023.

25. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Board has formulated a familiarization programme for Independent Directors which is available on the Company's website may be accessed by clicking on web link: <https://www.barakcement.com/PDF/Familiarisation/FAMILIARIZATION%20PROGRAM%20POLICY.pdf>

The familiarization programme aims to provide Independent Directors with the cement industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The senior management personnel of the Company, on a structured basis, interact with directors to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

26. MEETINGS OF THE BOARD

During the Financial Year 2022-23, 5 (Five) Board Meetings, 4 (Four) Audit Committee Meetings, 1 (One) Nomination & Remuneration Committee Meeting and 2 (Two) Stakeholders Relationship Committee meetings were convened . The details of which are given in the Corporate Governance Report forming part of this Report.

Further, we affirm that the intervening gap between the Meetings was within the period prescribed under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated 26.06.2020 and the Companies Act, 2013 and in Regulation 17(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

27. MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, a meeting of Independent Directors was held on Monday, the 20th Day of February, 2023 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also inter alia assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

28. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

a)	In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b)	The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for that period;
c)	The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d)	The directors had prepared the annual accounts on a going concern basis;
e)	The directors had laid down internal financial controls to be followed by the company and that the internal financial controls are adequate and were operating effectively;
f)	The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. AUDITORS & AUDITORS' REPORT

29.1 Statutory Auditors and Audit Report

Pursuant to Section 139 of the Companies Act, 2013, M/s P.K. Lakhani & Co., Chartered Accountants, (Firm Registration No. 014682-N) Statutory Auditors of the Company have been re-appointed by the members at the 23rd Annual General Meeting to hold office for the second term of 5 years from the date of such meeting held on 27th September, 2022. Further his tenure will last till the conclusion of 28th Annual General Meeting of the company.

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from 7th May, 2018, the requirement of seeking ratification of Members for the appointment of the Statutory Auditors has been withdrawn. Therefore, ratification by the Members is not being obtained at the ensuing AGM.

The Audit Report submitted by Statutory Auditor on Annual Standalone & Consolidated Financial Statement for the Financial Year 2022-23 does not contain any qualification, reservation or adverse remark or disclaimer. The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments. The Auditors have also not reported any matter under Section 143(12) of the Companies Act, 2013.

29.2 Cost Auditors and Cost Audit Report

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of its manufacturing activity are required to be audited. Your Directors on the recommendation of the Audit Committee, re-appointed M/s. Nirmalendu Kar Purkayastha, Cost Accountants (Firm Regn. no. 100103) as Cost Auditors of the Company for the financial year 2022-23 in the Board Meeting held on May 25, 2022.

M/s. Nirmalendu Kar Purkayastha, Cost Accountants (Firm Regn. no. 100103) confirmed eligibility to be re-appointed as Cost Auditors of the company and expressed his willingness to be re-appointed for the financial year 2023-24. The Board of Directors on recommendation of the Audit Committee has re-appointed M/s. Nirmalendu Kar Purkayastha, Cost Accountants (Firm Regn. no. 100103) as the cost auditors of the Company for the financial year 2023-24 at remuneration of Rs. 30,000/- subject to ratification of their remuneration by shareholders in the ensuing Annual General Meeting of the Company.

As required under the Act, the remuneration payable to cost auditors has to be placed before the Members at general meeting for ratification. Hence, a resolution for the same forms part of the Notice of the ensuing AGM.

The Cost Audit Report for the Financial Year 2021-22 has been duly filed with the Ministry of Corporate Affairs.

The Audit Committee has also received a Certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company.

29.3 Secretarial Auditor & Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and on the recommendation of the Audit Committee, the Board of Directors of the Company has appointed M/s. Shailendra Roy & Associates, Company Secretaries as Secretarial Auditor of the Company for the financial year 2022-23. Secretarial audit report as provided by M/s. Shailendra Roy & Associates, Company Secretaries is also annexed to this Report, in the prescribed Form MR-3, as "**Annexure-2**". The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. The report is self-explanatory and therefore do not call for any further comments.

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Valley Strong Cements (Assam) Limited, material wholly owned Subsidiary of the Company is liable to undertake secretarial audit and report submitted by secretarial auditor is annexed herewith and marked as "**Annexure 2A**". The report is self-explanatory and therefore do not call for any further comments.

Further, M/s. Shailendra Roy & Associates, Company Secretaries have completed their tenure as Secretarial Auditors of the company. Hence, The Board of Directors on recommendation of the Audit Committee has appointed M/s. Gaurav Yadav & Co., Company Secretaries as the Secretarial Auditors of the Company for the financial year 2023-24.

30. INSURANCE

All the properties of the Company including building, plant and machinery and stocks, where necessary and to the extent required have been adequately insured against major risks.

31. EXTRACT OF ANNUAL RETURN

In terms of requirement of Section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual return in Form MGT-9 is available on the website of the Company at <https://www.barakcement.com/annual-return/>

32. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as **“Annexure 3”**.

33. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The details relating to the ratio of the remuneration of each director to the median employees remuneration and other prescribed details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with a statement containing particulars of employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as **“Annexure 4”**.

34. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In accordance with Section 134(5)(e) of the Companies Act, 2013 and Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has an Internal Financial Control Policy and Procedures commensurate with the size and nature of operations and financial reporting. The Company has defined standard operating procedures covering all functional areas like sales, marketing, materials, fixed assets etc.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. The Audit Committee periodically reviews the adequacy and effectiveness of internal control systems. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

35. CORPORATE GOVERNANCE

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Corporate Governance Report for the Financial Year 2022-23 as required under SEBI(Listing Obligations and Disclosure Requirement) Regulations, 2015 of the Company is attached herewith and marked as **“Annexure-5”** forms part of this Report. The requisite certificate(s) from the Secretarial Auditor of the Company confirming compliance with the conditions of Corporate Governance and from Company Secretary in practice that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such authority is attached to the Corporate Governance Report.

36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the Financial Year 2022-23, the regulators or courts or tribunals have not passed any significant or material order impacting the going concern status and Company’s operations in future.

37. COMPLIANCE WITH THE SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS AND INDIAN ACCOUNTING STANDARDS

During the Financial Year 2022-23, the Company has complied with all the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards referred in Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

38. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year 2022-23, there has not been any change in the nature of business of the Company.

39. CHIEF EXECUTIVE OFFICER (CEO) /CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the

Compliance Certificate furnished by CEO/ CFO as specified in Part B of Schedule II of Listing Regulations has been submitted to the Board of Directors and a copy thereof is contained in this Annual Report.

40. GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders. To support the 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

41. CAUTIONARY STATEMENT

Statements in the Directors Report and the Management Discussion and Analysis 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: domestic demand and supply conditions affecting selling prices, new capacity additions, availability of materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the company.

42. APPRECIATION

The Directors take this opportunity to express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation, continued guidance, support and look forward to their continued support in future. The Directors would also like to place on record the sincere dedication, commitment and hard work of our employees and their contribution to your Company's performance. We are deeply grateful for the confidence and faith that you have always reposed in us.

For BARAK VALLEY CEMENTS LIMITED

Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN : 00612581
Add: 48/72, West Punjabi Bagh
Delhi-110026

Mahendra Kumar Agarwal
(Director)
DIN: 00044343
Add: 77 BE Block, Sector-1, Bidhan Nagar,
North 24 Paraganas, West Bengal-700064

Place: New Delhi

Date: 11.08.2023

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

WORLD ECONOMY

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

(Source: IMF- World Economic Outlook, April 2023)

Regional Growth % over the year

Regional Growth %	2022	2021
World Output	3.60	6.10
Advanced Economies	3.30	5.20
Developing and Emerging	3.80	6.80

INDIAN ECONOMY



Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019–20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Y-o-Y Growth of Indian Economy

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

(Source: India Brand Equity Foundation)

INDIAN CEMENT INDUSTRY OVERVIEW

India is the second largest cement producer in the world and accounted for over 7% of the global installed capacity. Of the total capacity, 98% lies with the private sector and the rest with public sector. The top 20 companies account for around 70% of the total cement production in India. As India has a high quantity and quality of limestone deposits through-out the country, the cement industry promises huge potential for growth.

India's cement production has increased at a CAGR of 5.65% between FY16-22, driven by demands in roads, urban infrastructure and commercial real estate. The consumption of cement in India has grown at a CAGR of 5.68% from FY16 to FY22.

At present, the Installed capacity of cement in India is 500 MTPA with production of 298 MTPA. The Cement sector has received good investments and support from the Government in the recent past.

FDI inflows in the industry, related to the manufacturing of cement and gypsum products, reached US\$ 5.48 billion between April 2000-June 2022.

PE/VC investments in real estate and infrastructure stood at US\$ 338 million and US\$ 795 million respectively in September 2022.

As per the Union Budget 2022-23, there was a higher allocation for infrastructure to the tune of US\$ 26.74 billion in roads and US\$ 18.84 billion in railways is likely to boost demand for cement.

Under the housing for all segment, 8 million households will be identified according Rs. 48,000 crore (US\$ 6.44 billion) set aside for PM Awas Yojana.

The government approved an outlay of Rs. 199,107 crore (US\$ 26.74 billion) for the Ministry of Road Transport and Highways, and this step is likely to boost the demand for cement.

Several government schemes such as MGNREGA, PM Garib Kalyan Rozgar Abhiyan and state-level schemes such as Matir Srisht (West Bengal) and public work schemes (Jharkhand) have aided demand

In October 2021, Prime Minister, Mr. Narendra Modi, launched the 'PM Gati Shakti - National Master Plan (NMP)' for multimodal connectivity. Gati Shakti will bring synergy to create a world-class, seamless multimodal transport network in India. This will boost the demand for cement in the future.

Growth in Infrastructure and real estate sector, post-COVID-19 pandemic, is likely to augment the demand for cement in 2022. The industry is likely to add an ~8 MTPA capacity in cement production.

As per DGCIS, India's export of Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements stood at US\$ 118.15 million in FY21. India exported cement to countries such as Sri Lanka, Nepal, the US, the UAE and Bangladesh.

The Government of India is strongly focused on infrastructure development to boost economic growth and is aiming for 100 smart cities. The Government also intends to expand the capacity of railways and the facilities for handling and storage to ease the transportation of cement and reduce transportation cost. These measures would lead to an increased construction activity, thereby boosting cement demand.

The future outlook of the cement sector looks on track with pandemic easing out.

In the next 10 years, India could become the main exporter of clinker and gray cement to the Middle East, Africa, and other developing nations of the world. Cement plants near the ports, for instance the plants in Gujarat and Visakhapatnam, will have an added advantage for export and will logistically be well armed to face stiff competition from cement plants in the interior of the country. India's cement production capacity is expected to reach 550 MT by 2025. The cement demand in India is estimated to touch 419.92 MT by FY 2027 driven by the expanding demand of different sectors, i.e., housing, commercial construction, and industrial construction.

CEMENT INDUSTRY OF NORTH EAST REGION

For North East Region, The installed Capacity of cement for the year 2022-23 was 18.59 MTPA whereas the Demand stood at 10.13 MTPA. The Demand of Cement is likely to grow 8-10% in the North East Region during next 4 to 5 years whereas Capacity is also likely to grow at the same rate in next 4 to 5 years.

Opportunities and Threats, Risks and Concerns

Overall despite the challenges being faced, the cement industry is here to grow with the growth story of the nation remaining intact. With the rise of income of the middle class, launch of various housing schemes by the government, easier home loans availability & infrastructure push by the

government, the sun looks brighter for the industry & just like any other industry, the cement industry is also reinventing & innovating itself with newer technologies & processes to ride alongside the positive outlook of the nation.

(Source: <https://www.insightssuccess.in/cement-manufacturing-opportunities-challenges/>)

Risk Management

Your Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of Directors of the Company is kept informed about the risk management of the Company. The Audit Committee of Board, keeps an eye on execution of the risk management plan of the Company and advises the management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks are however done by key executives of the Company in a systematic manner through regular meetings and dialogue and engagement/ consultation with relevant stakeholders. The risks are prioritized according to significance and likelihood. Risks having high likelihood and high significance are classified as 'key risk'.

The 'Key Risks' identified by the Company and their mitigation are as under:

- *Economic Environment and Market Demand Risk:* Maintaining market position in a highly volatile, uncertain, complex and ambiguous environment, especially given the demand contraction caused by COVID-19 pandemic.
Mitigation: The positive macro-economic environment, government support and our own capex plans will help us address India's growing cement demand.
- *Resource Availability and Price Risk:* The rise in input costs increased the overall cost of production and it's necessary to secure key inputs to remain cost-competitive and ensure sustainable supply.
Mitigation: Exploring new contracts to secure competitive supply sources, wherever possible and investing in Infrastructure to ensure seamless availability of resources.
- *Legal and Compliance Risk:* The country's regulatory framework is ever-evolving and the risk of non-compliance and penalties can lead to reputational and financial consequences, while compliance too comes at the cost for innovation, alternatives, transformation and upgradation, among others.
Mitigation: A comprehensive risk based compliance programme, involving inclusive training and adherence to the Code of Conduct, is thus institutionalized by your Company.
- *Climate and Sustainability Risk:* Environment protection is of paramount importance, considering the energy-intensity of the sector.
Mitigation: Various initiatives are being undertaken to arrest the adverse impact caused by our production activities, such as installation of bag filters to reduce dust pollution, extensive plantation and creation of green belts to de-risk and protect the environment.
- *Financial Risk:*
 - i) *Investment Risk:* If the plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
 - ii) *Discount Rate Risk:* Reduction in discount rate in subsequent valuations can increase the plan's liability.
 - iii) *Life Expectancy:* The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.
 - iv) *Salary growth risk:* The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability. Any variation in salary increase rate assumption in future valuations will also increase the liability.*Mitigation:* The company's objective when managing capital are to:
 - Safeguard their ability to continue as a going concern of the company, so that they can provide returns for shareholders and benefits for other stakeholders
 - Maintain an optimal capital structure to reduce the cost of capital.
 In order to maintain or adjust the capital structure, the company may adjust the amount of dividend to shareholders, return capital to shareholders or issue new shares.

I. OUTLOOK

The cement industry is forecast to grow at a compound annual growth rate (CAGR) of 3.4% during the 2022-2030 period, driven by increasing construction activity and rapid urbanization in developing countries. The Asia-Pacific region is expected to remain the largest market for cement, accounting for more than 60% of global demand.

(Source: <https://www.indexbox.io/blog/cement-industry-outlook-2022-2030/>)

II. FINANCIAL PERFORMANCE

The following are the highlights of the performance of the Company (Standalone):

(Rs. in Lacs)

Particulars	2022-23	2021-22
Net Sales	17,446.27	17,272.83
Profit/(Loss) after Tax	580.12	(427.30)
Net Worth	9,329.82	8,760.39
Borrowings(Long Term)	2,794.87	4,484.07
Earning Per Share	2.62	(1.93)
Production(MT)	2,58,762.00	2,49,736.00
Dispatches(MT)	2,57,253.70	2,50,553.70

During the year under report, your Company has earned a profit of Rs. 508.12 Lacs in comparison to net loss of Rs. (427.30) Lacs in the previous year.

SALES & MARKETING

Your Company has a diversified customer base in Mizoram, Barak Valley Region and Tripura consisting of potential customers, contractors, builders, institutions, Government Agencies. Your Company's brand "**Valley Strong**" is a brand of trust and reliance for the people of North East since inception and therefore the entire production of the Company is sold in North East Region. During the year the Gross Revenue from operations were Rs. 17446.27 Lacs in comparison of previous year Rs. 17272.83 Lacs. Your Company had also incurred Rs. 280.55 Lacs in the year 2022-23 as compared to Rs. 126.32 Lacs in the year 2021-22 on the Advertisement, Publicity & Sales Promotion expenses.

COSTS
(a) Raw Material
(i) Lime Stone :

During the year, the Company has consumed 244706.38 MT of Limestone as compared to 213817.39 MT of Limestone during last year. The Company had incurred Rs.1085.24 per MT an average acquisition cost of Limestone as compared to Rs. 1111.60 per MT in last year.

(ii) Fly Ash:

During the year, the Company has consumed 59138.42 MT of Fly ash against 43975.26 MT during last year. The average acquisition cost per MT of Fly ash has been Rs. 2193.56 per MT in current year as compared to Rs. 2174.72 per MT in the last year. The total cost of fly ash consumed in the year 2022-23 is Rs.1297.23 lacs as compared to 2021-22 was Rs. 956.33 Lacs.

(iii) Gypsum:

During the year 2022-23, the Company has consumed Rs. 27.44 Lacs of Gypsum as compared to Rs.50.62 Lacs of Gypsum during last year.

(b) Salaries, Wages and Labor Cost

In current year 2022-23, the Company has incurred Rs. 1516.09 Lacs on salaries, wages and labour cost as against Rs. 1507.41 Lacs in 2021-22.

(c) Transportation Cost

The Company has dispatched 257253.70 MT of cement in the Year 2022-23 as compared to 250553.70 MT of cement in the previous financial year. Due to this, the overall transportation cost had decreased to Rs. 1110.08 Lacs as compared to Rs. 1171.45 Lacs in the last year.

(d) Financial Costs

During the year the Company had incurred Rs. 869.22 Lacs in Interest & Financial Costs as compared to Rs. 924.05 Lacs in the previous year 2021-22.

III. DISCLOSURE OF ACCOUNTING TREATMENT:

The Company adheres to the prescribed Accounting Standards for the purpose of preparation of Financial Statements. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provisions of the Act and subsequent amendments thereof.

The financial statements are prepared on a going concern basis and are presented in Indian Rupees and all values are rounded off to the nearest million except when otherwise indicated. The financial statements have been prepared under the historical cost basis except for derivative financial instruments and certain other financial assets and liabilities that have been measured at fair value.

IV. SEGMENT WISE PERFORMANCE (BASED ON CONSOLIDATED):

The Company has discussed the performance of following segments:

Name of Segment	2022-23		2021-22	
	Segment Revenue (Rs. in Lacs)	Segment Operating Profit(Before Depreciation, Interest and Tax) (Rs. in Lacs)	Segment Revenue (Rs. in Lacs)	Segment Operating Profit (Before Depreciation, Interest and Tax) (Rs. in Lacs)
Cement	17,446.27	1,664.18	17,272.83	1,563.68
Unallocated/Others	811.27	66.10	297.52	59.98
Total	18,257.54	1,730.29	17,570.35	1,623.65

During the year, the revenue from Cement division have increased as compared to the previous year.

V. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company believes that a strong internal control framework is an important pillar of Corporate Governance. It has established internal control mechanisms commensurate with the size and complexity of its business. A strong Internal Control framework is established through right tone at the top for good corporate governance which serves as a foundation for excellence and the same is embedded in operations through its policies and procedures.

The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered all major processes commensurate with the size of business operations. These have been established at the entity & process levels and are designed to ensure compliance to internal control requirements, regulatory compliance and appropriate recording & reporting of financial & operational information. The Company has reviewed and sustained internal financial controls by adopting a systematic approach to evaluate, control design and operating effectiveness. BVCL has deployed a vigorous Internal Controls and Audit Mechanism to facilitate an accurate and fair presentation of its financial results. This process not just ensures adherence to regulatory standards and meets statutory compliance requirements, but also confirms that our reporting is complete, reliable and understandable. In addition, there is a specific impetus on safeguarding investor interests with deployment of the highest levels of governance and regular communication with them.

Further, Internal Audit Function is looked by Internal Audit department which reports to the Audit Committee of the Board. Internal Audit function works independently and evaluates the efficacy and adequacy of internal control system, its compliance with operating system and policies of the company and accounting procedure at all location, i.e. plant, marketing office & depots. Based on the input of internal audit report, designated process owner takes corrective actions in their respective area thereby strengthening controls and checks. In case any significant observations are noticed same is brought to the knowledge of members of audit committee for corrective actions.

VI. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The role of Human Resources has evolved in recent years. Today, it operates in complete partnership with senior leadership and business functions translating strategic priorities into action. The end result: to develop and sustain a culture where every employee is respected and valued for their good work.

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct.

The Company provides a culture of freedom for the employees where an employee is able to speak his / her mind for the organizational improvements. The Leaders conduct meetings to provide a platform to the team where they can share their concern and get solutions.

Your Company provides regular skill and personnel development trainings to enhance productivity. This also includes creating the first line of leaders, internal job posting, and high level of promotions, ensuring low attrition rates. Your Company emphasizes on good governance and has in place the whistle blower and anti-sexual harassment policies. The arrangement creates an amicable growth scenario for both the employees and organizational goals. The Company's number of employees as at March 31, 2023 on consolidated basis stood at 280 (Previous Year 276)

VII. STATEMENT OF KEY FINANCIAL RATIOS

Particulars	March 31, 2023	March 31, 2022	% change in Financial Ratios
Debtor Turnover Ratio	13.86	12.93	7.17%
Inventory Turnover Ratio	6.12	9.72	(37.07%)
Interest Coverage Ratio	1.96	1.72	14%
Current Ratio	1.04	1.08	(3.73%)
Debt Equity Ratio	0.71	0.93	(23.16%)
Operating Profit Margin (%)	9.78%	9.21%	6.17%
Net Profit Margin (%)	3.30%	(2.44)%	(235.11%)
Return on Net Worth (%)	6.41%	(4.76)%	(234.74%)

The reasons for significant changes (i.e. change of 25% or More) in above key financial ratios are as follows:

- **Inventory Turnover Ratio**
High Variation is due to pile up of inventories at year end due to seasonal issues.
- **Net Profit Margin (%)**
Exceptional losses incurred during the last year.
- **Return on Net Worth (%)**
Exceptional losses incurred during the last year.

VIII. 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 regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For BARAK VALLEY CEMENTS LIMITED

Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN : 00612581
Add: 48/72, West Punjabi Bagh
Delhi-110026

Mahendra Kumar Agarwal
(Director)
DIN: 00044343
Add: 77 BE Block, Sector-1, Bidhan Nagar,
North 24 Paraganas, West Bengal-700064

Place: New Delhi
Date: 11.08.2023

CSR ANNUAL REPORT

The Board's CSR Committee consisted of Mr. Kamakhya Chamaria, Mr. Puran Chand and Mr. Mahendra Kumar Agarwal. The Company's CSR Policy is available on the web link <https://www.barakcement.com/corporate-social-responsibility/>. A Report on CSR activities during the year is annexed to this Report.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company fully recognises its commitment to the fulfilment of its social responsibilities. Programmes to benefit society in general and those living in the vicinity of its facilities in particular have been consistently implemented over the years. In so doing, the Company has been faithfully following and implementing the vision of its Vice-Chairman, Mr. Kamakhya Chamaria who instilled in the Company the consciousness of being responsive to the needs of the less privileged. Such observance has been Company Policy for decades much before statutory mandates were even thought of.

Since, the Profits of the Company for Financial Year 2022-23 are more than Rs. 5 Cr. (Rupees Five Crore Only), the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 become applicable on your company from the Financial year 2023-24.

2. Composition of CSR Committee:

S.No	Name	Designation	Category
1	Mr. Kamakhya Chamaria	Chairman	(Executive-Non Independent)
2	Mr. Puran Chand	Member	(Non executive- Independent)
3	Mr. Mahendra Kumar Agarwal	Member	(Non executive-Non Independent)

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.barakcement.com/corporate-social-responsibility/>.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable : **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the Company as per section 135(5): Rs. 650.71 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5): As will be evident from the above that **the average net profit for the last three financial years is Rs. 650.71 Lacs. In view of the above, Rs. 13.01 Lacs CSR expenditure during the Financial Year 2023-24 is mandated.**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**

(c) Amount required to be set off for the financial year, if any: **Not Applicable**

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 13.01 Lacs.**

8. (a) CSR amount spent or unspent for the financial year: **Not applicable**

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **Not Applicable**

(d) Amount spent in Administrative Overheads: **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Nil**

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

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

11. Specify the reason (s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Sd/-
Rajesh Aggarwal
(Chief Financial Officer)

Sd/-
Rachna Gambhir
(Company Secretary)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule
No. 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
BARAK VALLEY CEMENTS LIMITED
CIN: L01403AS1999PLC005741

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BARAK VALLEY CEMENTS LIMITED** (hereinafter called the Company) for the Financial Year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **BARAK VALLEY CEMENTS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 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 the books, papers, minute books, forms and returns filed and other records maintained by **BARAK VALLEY CEMENTS LIMITED** ("the Company") for the financial year ended on 31st March 2023 according to the provisions of:

- (i). The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;-Not Applicable
 - e) The Securities and Exchange Board of India (Share Based Employee Benefit), Regulations, 2014; -Not Applicable
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -Not Applicable
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- Not Applicable
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -Not Applicable and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -Not Applicable
- (vi). The laws applicable specifically to the Company are as under:
 - 1. Factories Act, 1948;
 - 2. Industrial Dispute Act, 1947;
 - 3. The Payment of Wages Act, 1936;
 - 4. The Minimum Wages Act, 1948;
 - 5. Employees' State Insurance Act, 1948;
 - 6. The Employees' Provident Fund and Misc. Provision Act, 1952;
 - 7. The Payment of Bonus Act, 1965;

8. The Payment of Gratuity Act, 1972;
9. The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
10. The Water (Prevention and Control of Pollution) Act, 1974;
11. The Air (Prevention and Control of Pollution) Act, 1981.
12. Petroleum Act, 1934
13. The Standards of Weights & Measures (Enforcement) Act, 1985

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

- (i). Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii). The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock exchange;

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

We further report that –

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

This Report is to be read with our letter of even date which is annexed as Annexure-I which forms an integral part of this report.

For Shailendra Roy & Associates
Shailendra Kumar Roy
(Proprietor)
ACS - 25823
C.P. No.: 11738

Place: New Delhi
Date: 28.06.2023
UDIN- A025823E000516621
PR Certificate No. 3605

ANNEXURE - I

To,
The Members,

BARAK VALLEY CEMENTS LIMITED

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

Management's Responsibility

1. It is the Responsibility of the management of the Company to maintain secretarial records, device proper system to ensure compliance with the provision of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, system, standards and procedures based on our audit.
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's representation about the compliance of laws, rules and regulations and happening of event etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our Examination was limited to the verification of procedures on test basis.

Disclaimer

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 Shailendra Roy & Associates

Shailendra Kumar Roy
(Proprietor)
ACS - 25823
C.P. No.: 11738

Place: New Delhi
Date: 28.06.2023

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST March 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule
No.9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,
The Members,

VALLEY STRONG CEMENTS (ASSAM) LIMITED
CIN: U26940AS2009PLC009197

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VALLEY STRONG CEMENTS (ASSAM) LIMITED** (hereinafter called the Company) for the **Financial Year ended 31st March, 2023**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **VALLEY STRONG CEMENTS (ASSAM) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions enlisted hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **VALLEY STRONG CEMENTS (ASSAM) LIMITED** ("the Company") for the financial year ended on 31st March, 2023 according to the provisions of:

- (i). The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') or by SEBI were not applicable;
- (v). The laws applicable specifically to the Company are as under:
 - 1. Factories Act, 1948;
 - 2. Industrial Dispute Act, 1947;
 - 3. The Payment of Wages Act, 1936;
 - 4. The Minimum Wages Act, 1948;
 - 5. Employees' State Insurance Act, 1948;
 - 6. The Employees' Provident Fund and Misc. Provision Act, 1952;
 - 7. The Payment of Bonus Act, 1965;
 - 8. The Payment of Gratuity Act, 1972;
 - 9. The Tea Act, 1953;
 - 10. The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
 - 11. The Water (Prevention and Control of Pollution) Act, 1974;
 - 12. The Air (Prevention and Control of Pollution) Act, 1981.
 - 13. Petroleum Act, 1934
 - 14. The Standards of Weights & Measures (Enforcement) Act, 1985

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

We further report that –

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

For Shailendra Roy & Associates
Shailendra Kumar Roy
(Proprietor)
ACS - 25823
C.P. No.: 11738

Place: New Delhi
Date: 28.06.2023
UDIN-A025823E000516709
P.R. Certificate no. 3605

To,
The Members,

VALLEY STRONG CEMENTS (ASSAM) LIMITED

CIN: U26940AS2009PLC009197

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

Management's Responsibility

1. It is the Responsibility of the management of the Company to maintain secretarial records, device proper system to ensure compliance with the provision of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of event etc.
4. The Compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our Examination was limited to the verification of procedures on test basis.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with the affairs of the Company.

For Shailendra Roy & Associates
Shailendra Kumar Roy
(Proprietor)
ACS - 25823
C.P. No.: 11738

Place: New Delhi
Date: 28.06.2023

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014]

A) CONSERVATION OF ENERGY-

a) **The Steps taken or Impact on Conservation of Energy-**

- 1) Capacitors installed in Barge Pump, all Packing Machines, Clinker Discharge Belt Conveyor and saving 22 KW/Hr.
- 2) High efficiently Induced Draft Fan of Cooler Venting connected to Coal Mill Hot Air Input installed to increase the temperature of Coal Mill Inlet. Coal Mill output increased by 0.5 T/Hr. Thus reduced the Power Consumption by 2 KW/Hr.
- 3) Cement Mill No.1 Eccentricity removed by replacing a part of Mill Shell and realigned the Mill which has saved the Power.
- 4) Kiln Inlet Shell ovality removed by replacing the Shell, which has reduced in hunting in Power Consumption.

b) **The Steps taken by the Company for Utilizing Alternate Sources of Energy-**

- (i) Coal Drying System modified to use more waste heat in Coal Drying.
- (ii) Use of Rice Husk in place of Coal.
- (iii) Use of Tyre Dust, Saw Dust etc. in place of Coal.

c) **The Capital Investment on Energy Conservation Equipments provided in the sub-point (a) of the above is Rs. 11.99 Lacs.**

B) TECHNOLOGY ABSORPTION-

The efforts made towards technology absorption-

Researches and Development (R&D) –

- (i) Temperature, Vibration, Draft, Actuator Control has been made in Auto mode in Cooler I.D. Fan
- (ii) The Kiln which was running & Consuming 950 KCal/Kg of Clinker has come down to 940 KCal/Kg of Clinker Saving in 10 K Cal/Kg. Of Clinker.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial years), following information may be furnished – NA.

(iv) The expenditure incurred on Research and Development is – NIL.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

Due to demand supply gap in North Eastern areas, the Company is able to sell its entire production in the domestic market itself. Hence, the Company is not engaged in any import or export.

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

(A) Information as per Rule 5(1) of the Chapter XIII, Companies(Appointment & Remuneration of Managerial Personnel) Rules, 2014:

i) The Ratio of Remuneration of each Director to the Median of Remuneration of Employee and percentage increase in remuneration of the Directors and Key managerial Personnel of the Company for the Financial Year stood as:

S. No.	Name of Director & Key Managerial Personnel(KMP)	Designation	Remuneration of Director/ KMP for financial year 2022-23 (Rs. in Lakhs)	Percentage increase in Remuneration	Ratio to median remuneration
1	Mr. Kamakhya Chamaria	Vice Chairman & Managing Director	46.23	NIL	24.08:1
2	Mr. Santosh Kumar Bajaj	Director	-	N.A.	-
3	Mr. Mahendra Kumar Agarwal	Director	-	N.A.	-
4	Mr. Dhanpat Ram Agarwal	Director	-	N.A.	-
5	Mrs. Renu Kejriwal	Director	-	N.A.	-
6	Mr. Shyam Agarwal	Director	-	N.A.	-
7	Mr. Puran Chand	Director	-	N.A.	-
8	Mr. Gaurav Tulshyan	Director	-	N.A.	-
9	Mr. Mukesh Kumar Shovasaria	Chief Executive Officer	36.94	36.89	19.24:1
10	Mr. Rajesh Aggarwal	Chief Financial Officer	23.04	5.49	12.00:1
11	Mrs. Rachna Gambhir	Company Secretary	7.23	N.A.	3.77:1

Note: For the purpose of calculation of the ratio of the remuneration of each director to the median of remuneration of employees, the employees who have served the Company for the whole financial year from 01.04.2022 till 31.03.2023 were considered.

- ii) **None of the non executive Directors of the Company receive any remuneration from the company.**
- iii) **The median remuneration of employees of the Company during the financial year was Rs. 1,91,940/-**
- iv) **Percentage Increase in the Median Remuneration of Employees in the Financial Year 2022-23 is 6.7%.**
- v) **Number of Permanent Employees on the roll of the Company during the Financial Year 2022-23 were 280.**
- vi) **Average Percentile Increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:**

The Average percentile increase in the salaries of non-managerial employees in the financial year 2022-23 was 10% while the average percentile increase in the managerial Remuneration was 8%.

vii) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

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

(B) Statement of Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of managerial) Rules, 2014:
DETAILS OF TOP 10 EMPLOYEES

Sl. No.	Name of Employee	Designation	Remuneration Received (Rs. In Lacs)	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of Commencement of employment	Age	Last employment held by such employee before joining the company	Percentage equity shares held by the employee in the company	Relation with any other director or manager of the Company
1	Mr. Mukesh Kumar Shovasaria	C.E.O.	36.94	Permanent	B.Sc.	01.04.2001	53 years	Hasai Forest Product, Arunachal Pradesh	0.015	No
2	Mr. Sheo Kailash Pati Dalmia	Sr.Vice President - works	29.54	Permanent	Diploma in Mechanical	06.12.2003	79 years	Kalyanpur Cements Ltd. Banjari, Bihar	0.0009	No
3	Mr. Rajesh Aggarwal	C.F.O.	23.04	Permanent	Chartered Accountant	18.04.2005	50 years	-	0.0038	No
4	Mr. Arindom Dutta Purkayastha	DGM- Purchase	22.22	Permanent	M.A , MBA	10.08.2002	51 Years	North Eastern Institute of Bank Management	Nil	No
5	Mr. Bibhash Kanti Das	DGM - Accounts	13.16	Permanent	M.C.A.	01.08.2004	58 years	-	0.0000	No
6	Mr. Muzibur Hussain	Manager - Logistic	12.2	Permanent	M.A.	01.12.2005	48 years	-	Nil	No
7	Mr. Lal Behari Sinha	Sr.Manager - Electrical & Instrument	9.12	Permanent	ITI	01.04.2001	54 years	Vinay Cements Ltd. Umrungshu, Assam	Nil	No
8	Mr. Nomal Payeng	Manager - Accounts	8.4	Permanent	B.A.	01.01.2006	52 years	-	Nil	No
9	Mr. Prasun Kumar Tarafder	D.G.M (Sales)	8.4	Permanent	B.Sc.	01.05.2023	55 Years	-	Nil	No
10	Mr. Premeswar Timung	Asst. Manager Maintenance	8.39	Permanent	9th Pass	23.04.2001	56 years	Vinay Cements Ltd. Umrungshu, Assam	Nil	No

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; (“SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015”) is given below:

Company’s Philosophy on Corporate Governance

Your Company Barak Valley Cements Limited is always committed to the adoption of best governance practices and their adherence in true spirit. The Company’s philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability, sustainability, ethical behaviour and safety in all spheres of its operations.

Your Company subscribes to equitable treatment of all its stakeholders, which has helped in maintaining their trust and appreciation. The Board provides strategic guidance to your Company in all areas of its operations, while focusing on optimum utilisation of resources; governance and sustainability. All of this is done keeping in mind the interest of all stakeholders and the philosophy enshrined in your Company’s Vision-Mission statement.

Your Company continuously strives to achieve excellence in corporate governance through its values -Integrity, Commitment, Passion, Seamlessness and Speed. Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 Sub-Regulation (2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as applicable, with regard to Corporate Governance. In terms of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the details of compliance are as follows:

I. BOARD OF DIRECTORS

• **Composition**

The Board of Directors along with its Committees provides leadership and guidance to the Company’s management and also direct, supervise and control the performance of the Company. The Company is in compliance with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the Companies Act, 2013 with respect to Composition of Board.

As on **March 31, 2023**, Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors. The Board consist of 8 (Eight) directors out of which 4 (Four) are independent (including one Women director) and 4 (Four) are non-independent directors. None of the Directors is a director in more than 20 companies (including 10 public companies) and member of more than 10 committees or act as Chairman of more than 5 committees across all the companies in which they are Directors. Detailed profile of our Directors is available on our website: www.barakcement.com. None of the Non-Executive Directors serve as Independent Director in over seven listed companies and none of the Executive Director serves as Independent Director on any listed company.

All the Independent Directors have confirmed that they meet the independence criteria as mentioned under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of Companies Act, 2013. All the directors have made necessary disclosures about their directorships and the committee positions held by them in other companies during the financial year 2022-23. Following is the list of Directors of the Company showing details of their inter-se relations:

S. No.	Name of Director	Category	Inter-se Relationship amongst Directors	Designation
1.	Mr. Kamakhya Chamaria	Executive - Non-Independent	NIL	Vice Chairman & Managing Director
2.	Mr. Mahendra Kumar Agarwal	Non-Executive -Non-Independent	NIL	Director
3.	Mr. Santosh Kumar Bajaj	Promoter - Non-Executive - Non-Independent	Nil	Director
4.	*Dr. Dhanpat Ram Agarwal	Independent - Non-Executive	Nil	Director
5.	Mr. Shyam Agarwal	Independent- Non-Executive	Nil	Director
6.	Mrs. Renu Kejriwal	Independent- Non-Executive	Nil	Director
7.	Mr. Puran Chand	Independent- Non-Executive	Nil	Director
8.	**Mr. Gaurav Tulshyan	Non-Executive-Non Independent Director	Nil	Director
9.	***Mr. Vishal More	Independent- Non-Executive	Nil	Director

***Dr. Dhanpat Ram Agarwal ceased to be the member of the Board of the company w.e.f 21.06.2023.**

****Mr. Gaurav Tulshyan become member of the Board of the Company on 12.08.2022 and regularised in the AGM of the Company held on 27.09.2022.**

*****Mr. Vishal More become member of the Board of the Company on 11.08.2023 subject to approval of shareholders in the ensuing AGM.**

Notes:

- The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- The Shareholders of the Company approved the re-appointment of Mr. Kamakhya Chamaria as Director of the Company who was liable to retire by rotation in the Annual General Meeting of the Company held on 27th September, 2022.

The names of the directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2023 are given herein below. Other directorships do not include alternate directorships (if any), directorships of private limited companies, foreign companies and companies incorporated under section 8 of the Companies Act, 2013. In terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, only Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies (excluding Barak valley Cements Limited) have been considered.

S. No	Name of Director	No. of Board Meetings during the Financial Year 2022-23		Whether Attended the last AGM held on September 27, 2022	Details of Directorships in other public companies*	No. of Committee position held in other Public Companies**	
		Held during their tenure	Attended			Chairman	Member
1	Mr. Kamakhya Chamaria	5	5	Yes	1	Nil	Nil
2	Mr. Mahendra Kumar Agarwal	5	4	Yes	7	Nil	Nil
3	Mr. Santosh Kumar Bajaj	5	4	Yes	Nil	Nil	Nil
4	Mr. Gaurav Tulshyan	2	2	Yes	Nil	Nil	Nil
5	Dr. Dhanpat Ram Agarwal	5	4	No	4	1	2
6	Mrs. Renu Kejriwal	5	5	No	Nil	Nil	Nil
7	Mr. Shyam Agarwal	5	4	No	Nil	Nil	Nil
8	Mr. Puran Chand	5	4	No	Nil	Nil	Nil

*Includes Private Limited Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/Professional Bodies but excludes Foreign Companies.

** Only Audit Committee and Stakeholders' Relationship Committee have been considered as per SEBI Regulations.

Other Listed Companies where Directors of the Company are Directors and their category of Directorship (as on 31 March 2023):

S. No.	Name of the Director	Name of Listed Company	Category of Directorship
1	Dr. Dhanpat Ram Agarwal	TCI Finance Limited	Independent, Non-Executive Director

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

The Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and are independent of the management of the Company.

The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors:-

Industry, Leadership, Accounts & Finance, Taxes, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Risks, Administration and General Management, Board procedures and Governance.

List of Directors possessing the skills/expertise and competencies:

Name of Directors	Skills/Expertise and Competencies
Mr. Kamakhya Chamaria	Industry, Leadership, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance, Administration, General Management, etc.
Mr. Mahendra Kumar Agarwal	Industry, Leadership, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance, etc.
Mr. Santosh Kumar Bajaj	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance, etc.
*Dr. Dhanpat Ram Agarwal	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures and Governance. etc.
Mrs. Renu Kejriwal	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures and Governance. etc.
Mr. Shyam Agarwal	Accounts & Finance, Taxation, Risk, Board procedures and Governance. etc.
Mr. Puran Chand	Accounts & Finance, Taxation, Risk, Board procedures, Governance and Industrial Policies. etc.
Mr. Gaurav Tulshyan	Accounts & Finance and related laws.
**Mr. Vishal More	Industry, Leadership, Accounts & Finance, Economics etc.

***Dr. Dhanpat Ram Agarwal ceased to be the member of the Board of the company w.e.f 21.06.2023.**

****Mr. Vishal More become member of the Board of the Company on 11.08.2023 subject to approval of shareholders in the ensuing AGM.**

The Board periodically reviews Compliance Reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any. The Board is also satisfied that plans are in place for orderly succession for appointments to the Board and to senior management.

• **Non-Executive Directors’ and Independent Directors’ compensation and disclosures**

Sitting fees / commission paid to the Non-Executive Directors and Independent Directors are recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of Directors and Shareholders. None of the Directors were paid sitting fees / commission payable to the Non-Executive Directors and Independent Directors.

• **Number and Dates of Board Meetings held during the financial year ended March 31, 2023**

During the Financial Year 2022-23, our Board has met 5 (Five) times and the Meetings of our Board of Directors were held on **22nd day of April, 2022, 25th day of May, 2022, 12th day of August, 2022, 14th day of November, 2022, and 13th day of February, 2023** to transact various businesses. The maximum gap between any two consecutive meetings was in compliance with all the provisions as stipulated under Section 173 of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standards as issued by the Institute of Company Secretaries of India (ICSI). The Company has convened additional Board meetings to address specific needs of the company.

• **Number of shares and convertible instruments held by non- executive directors**

The following Non-Executive Directors of the Company are holding equity shares in the Company.

Name	Category	No. of Equity Share
Mr. Santosh Kumar Bajaj	Non-Executive and Non-Independent Director	18,84,500
Mr. Mahendra Kumar Agarwal	Non-Executive and Non-Independent Director	14,55,613
Mrs. Renu Kejriwal	Non-Executive and Independent Director	150

As on March 31, 2023, since our Company has not issued any convertible instrument, none of the non-executive Directors of the Company is holding any convertible instruments of the company.

• **Performance Evaluation of Board**

As required, the Nomination and Remuneration Committee of Directors has specified the manner for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder read with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Board of Directors has made formal annual evaluation of its own performance and that of its committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes,

information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc. The Board and the Nomination and Remuneration Committee also carried out evaluation of the performance of individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc. In a separate meeting of the Independent Directors of the Company, performance of the Non-independent Directors, performance of the Board as a whole and performance of the Chairman & Managing Director were evaluated, taking into account the views of Executive and Non- executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were fully satisfied in this regard.

- **Separate Meeting of Independent Directors**

An Independent Directors meeting in accordance with the provisions of section 149(8) read with schedule IV of the Companies Act, 2013 and Regulation 25(3) and 25(4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 was convened **on Monday, the February 20, 2023** to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman and/or Vice-Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the board to effectively and reasonably perform its duties. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the Board meeting and are being implemented.

- **Code of Conduct**

The Company has adopted the Code of Conduct as per Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and is applicable to all its board members and senior management personnel of the company. The Code of Conduct also lays down the duties of Independent Directors as per Companies Act, 2013. Pursuant to Regulation 26(5) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the company at large. Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the board members and senior management of the Company as on March 31, 2023 have affirmed compliance with their respective codes of conduct. A declaration to that effect signed by the CEO is attached and forms part of the Annual Report of the Company. The copy of Code of Conduct is also available on the website of the Company www.barakcement.com

- **Induction and Familiarization programme for independent directors**

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has been conducting various familiarization programmes. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company - web link:

<https://www.barakcement.com/PDF/Company%20Policies/Details%20of%20Familiarization%20Programme.pdf>

- **Prevention of Insider Trading**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of your Company ("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Directors, Designated Employees and Connected Persons of your Company are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of the Company by the Directors, Designated Employees and Connected Persons of your Company.

- **Resume of Directors proposed to be re-appointed**

The brief resume of Directors retiring by rotation and seeking re-appointment is appended in the notice convening the Annual General Meeting.

II. COMMITTEES OF THE BOARD

In order to carry out the responsibilities & decision making more smoothly and in prudent manner the Board has formed various committees which are headed and constituted by various learned members of the Board having expertise and reservoir of experience in their respective fields such as finance, legal, accounts, marketing, etc.

The decisions and recommendations of the Committees are placed before the Board for information or approval. Currently, the company has 7 (Seven) Committees of Board, namely:

- Audit Committee
- Sub-Audit Committee
- Nomination and Remuneration Committee
- Share Transfer Committee
- Stakeholder’s Relationship Committee
- General Purpose Committee
- Corporate Social Responsibility Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled before the Board of Directors at the Board Meetings.

A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Committee comprises of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Executive and Non-Independent Director, all of whom are financially literate and have relevant finance and/or audit exposure. Mrs. Renu Kejriwal, Chairman of the Committee is Chartered Accountant and proficient in accounting and financial management. The quorum of the Committee is two members or one-third of its members, whichever is higher with at least two independent directors.

• **Meetings**

During the Financial Year 2022-23, the Audit Committee met 4 (four) times on 25th day of May, 2022, 12th day of August, 2022, 14th of November, 2022 and 13th of February, 2023 **The Composition of the Audit Committee and the details of meetings attended by its members are given below:**

S. No.	Name of Director	Designation in Committee	Entitled to Attend	Meeting Attended
1	Mrs. Renu Kejriwal	Chairman	4	4
2	Mr. Kamakhya Chamaria	Member	4	4
3	Mr. Shyam Agarwal	Member	4	4

Notes:

- a) The Company Secretary of the Company acts as the Secretary of the Committee.
- b) The representative of Statutory Auditor and Internal Auditor of your Company has in person attended the Audit Committee meetings.
- c) The Chairman of the Audit Committee was unable to present in Annual General Meeting . In her absence, Mr Kamakhya Chamaria acted as the Chairman to answer the queries of the Shareholders.
- d) The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of your Company, oversight of your Company’s financial reporting process so as to ensure that the financial statements are correct, sufficient and credible.
- e) Audit Committee meetings are attended by the Chief Financial Officer of the Company.

• **Terms of Reference**

The Role of the Audit Committee is as defined under the relevant provisions of the Companies Act, 2013 and Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 with stock exchanges is as follows:

The role of the Audit Committee shall include the following:

1. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions
 - g) modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of your company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and / or advances from/investment by the holding Company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor;

- 6. Statement of deviations; if applicable
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of fund utilized for purposes other than stated in the offer document/prospectus/notice in terms of Regulation 32(7).

• **Sub-Audit Committee**

The Board has also set up a Sub-Audit Committee on May 15, 2009 in order to strengthen the Internal Audit procedure by keenly observing and implementing the findings & comments of the Internal Auditors of the Company and reporting the same to the Audit Committee.

The committee consists of following executives of the Company:

- 1. Mr. S.K.P Dalmia
- 2. Mr. Shishir Bajoria
- 3. Mr. Bibash Kanti Das
- 4. Mr. Rajesh Aggarwal

B. NOMINATION & REMUNERATION COMMITTEE

The Committee oversees key processes through which the Company recruits new members to its Board and also the processes through which the Company recruits, motivates and retain outstanding senior management and oversees the Company’s overall approach to human resources management. As per the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the company has constituted Nomination and Remuneration Committee.

The Committee comprises of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Non-Executive and Non-Independent Director, Mrs. Renu Kejriwal is the Chairman of the Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher. The Chairman of the Nomination and Remuneration Committee has not attended the last Annual General Meeting of the Company. In her place Mr. Kamakhya Chamaria acted as the Chairman of the meeting.

• **Meetings**

During the financial year 2022-23, Nomination and Remuneration Committee meeting was held on 12th day of August, 2022.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

S. No	Name	Designation in Committee	Entitled to attend	Meeting Attended
1	Mrs. Renu Kejriwal	Chairman	1	1
2	*Dr. Dhanpat Ram Agarwal	Member	1	1
3	Mr. Mahendra Kumar Agarwal	Member	1	1
4	**Mr. Puran Chand	Member	None	None

*Dr. Dhanpat Ram Agarwal has Resigned from the Board of the Company w.e.f 21.06.2023 and ceased to be member of the Committee w.e.f 21.06.2023.

** Mr. Puran Chand become member of the Committee on 11.08.2023.

The Nomination and Remuneration Committee determines the Company’s remuneration policy, having regard to performance standards and existing industry practice. Under the existing policy, the Remuneration Committee determines the remuneration payable to the Directors. Apart from this, the detailed terms of reference of Nomination and Remuneration Committee are as follows:

• **Terms of Reference**

- a) The Nomination and Remuneration Committee shall be responsible to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

- b) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- c) The Nomination and Remuneration Committee is responsible for Formulation of criteria for evaluation of Independent Directors and the Board.
- d) The Nomination and Remuneration Committee shall devise a policy on Board diversity.
- e) The Nomination and Remuneration Committee shall recommend/review remuneration of the Senior Management based on their performance and defined assessment criteria.
- f) The Nomination and Remuneration Committee shall see whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

• **Remuneration Policy**

Based on the recommendations of Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel (KMP) and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay, reflecting short, medium and long-term performance objectives appropriate to the working of the Company and its goals.

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements. The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

The remuneration to be paid to the Executive Directors is recommended by the Nomination & Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration paid to the Executive Directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. The appointment of the Executive Directors, if any is governed by the resolutions passed by the Board and shareholders. The service agreement is entered into with them. There is no provision for payment of severance fee under the resolutions governing appointment of Executive Directors.

A notice period of three months is required to be given by the Executive Director seeking to vacate the office. The Company has no stock option plans and such option is not included in the remuneration package. During the year under review, none of the Directors was paid any bonus pension or performance bonus. Formal appointment letter is issued to the Independent Directors and the terms and conditions of the appointment of Independent Directors is available on the website of the Company. The Nomination & Remuneration Committee to recommend all remuneration payable to the Senior Management.

Pursuant to section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and the Board of Directors of the Company formulated and approved the Policy on Nomination & Remuneration for Directors, Key Managerial Personal (KMP) & Senior Management and other Employees and pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 vide its meeting dated May 30, 2014. During the year, there have been no changes to the Policy. Hence, the same is not annexed to this report, but the same is available on our website www.barakcement.com

(<http://barakcement.com/PDF/share%20holding%20info/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>)

• **Details of Remuneration**

The Directors in the Board were entitled to the following remuneration during the Financial Year 2022-23.

S. No	Name of Director	Managerial Remuneration (In Rs. p.a.)	Sitting Fees (In Rs. p.a.)	No. of Shares as on 31.03.2023
1.	Mr. Kamakhya Chamaria	Rs. 46,23,000	Nil	3,40,000
2.	Mr. Mahendra Kumar Agarwal	Nil	Nil	14,55,613
3.	Mr. Santosh Kumar Bajaj	Nil	Nil	18,84,500
4.	Dr. Dhanpat Ram Agarwal	Nil	Nil	Nil
5.	Mrs. Renu Kejriwal	Nil	Nil	150
6.	Mr. Shyam Agarwal	Nil	Nil	Nil
7.	Mr. Puran Chand	Nil	Nil	Nil
8.	Mr. Gaurav Tulshyan	Nil	Nil	Nil

Notes:

- The Managerial Remuneration has been paid in accordance with Companies Act, 2013 and as per their respective agreements with the Company.
- The Non-Executive Directors are entitled only to the sitting fees which are within specified limits as per Companies Act, 2013 and none of the non-executive directors have no other pecuniary relationship with the Company.
- Company has not issued any convertible instruments during the year 2022-23.
- For more details about components of remuneration, please refer to the extract of the annual return in Form MGT-9 available on website of company at www.barakcement.com.

• **Performance Evaluation Criteria**

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- Leadership & stewardship abilities
- Contributing to clearly define corporate objectives & plans
- Communication of expectations & concerns clearly with subordinates
- Obtain adequate, relevant & timely information from external sources
- Review & approval achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor & mitigate significant corporate risks
- Assess policies, structures & procedures
- Direct, monitor & evaluate KMPs, senior officials
- Review management’s succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure

C. STAKEHOLDERS’ RELATIONSHIP COMMITTEE

The purpose of the committee is to assist the Board and the Company in maintaining healthy relationships with all stakeholders. The Committee oversees the mechanisms for redressing grievances and complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances as may be raised by the security holders from time to time. The Board had constituted the stakeholder’s relationship committee on May 30, 2014, as per the requirements of section 178(5) of the Companies Act, 2013 and regulation 20 of the SEBI (LODR) Regulations.

The Committee comprises of 3 (Three) Directors, out of which 2 (Two) are Independent Directors and 1 (One) is Executive and Non-Independent Director. Mr. Shyam Agarwal is a Non-Executive Independent Director and Chairman of the Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher. Mr. Shyam Agarwal, Chairman of the Stakeholders Relationship Committee has not attended the last Annual General Meeting of the Company. In his absence Mr. Kamakhya Chamaria acted as Chairman of the meeting.

- **Meetings**

During the Financial Year 2022-23, Stakeholders Relationship Committee met 2 (two) times on 1st April 2022 and 20th February 2023.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S. No	Name	Designation in Committee	Entitled to Attend	Meeting Attended
1	Mr. Shyam Agarwal	Chairman	2	2
2	Mr. Kamakhya Chamaria	Member	2	2
3	*Dr. Dhanpat Ram Agarwal	Member	2	2
4	**Mr. Puran Chand	Member	None	None

*Dr. Dhanpat Ram Agarwal has Resigned from the Board of the Company w.e.f 21.06.2023 and ceased to be member of the Committee w.e.f 21.06.2023.

** Mr. Puran Chand become member of the committee on 11.08.2023.

Mrs. Rachna Gambhir, Company Secretary & Compliance officer of the Company acting as the Secretary to the Committee.

The Committee's responsibility is to oversee Share Transfers and addressing to and Redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

- **Details of Complaints**

Pursuant to the requirement stipulated in the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the following are the details of complaints received & resolved during 2022-23:

Period	Complaints Received	Complaints Resolved	Pending Complaints
01.04.2022 - 31.03.2023	1	1	Nil

- **Terms of Reference**

The terms of reference of the Committee shall, inter alia, include:

- To monitor complaints received by your Company from its Shareholders, Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. and action taken by your Company for redressing the same;
- To approve allotment of shares or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- To approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialization etc. of shares, debentures and other securities;
- To approve and ratify the action taken by the authorised officers of your Company in compliance of the requests received from the shareholders / investors for issue of duplicate / replacement / consolidation / sub-division, dematerialization, rematerialization and other purposes for the shares, debentures and other securities of your Company;
- To monitor and expedite the status and process of dematerialization and rematerialization of shares, debentures and other securities of your Company;
- To give directions for monitoring the stock of blank stationery and for printing of stationery required by the Secretarial Department of your Company from time to time for issuance of share certificates, debenture certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery;
- To review the measures taken to reduce the quantum of unclaimed dividend / interest and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of your Company;
- Resolving grievances of security holders including complaints related to transfers / transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new /duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To perform such other acts, deeds, and things as may be delegated to the Committee by the Board from time to time.

D. SHARE TRANSFER COMMITTEE

To expedite the process of transferring the shares along with their registration, the Share Transfer Committee was set up by the Board of Directors on September 07, 2006. The Terms of reference of the committee includes approval of share transfer, issue of duplicate/ rematerialized shares, transmission of shares, consolidation, splitting of share certificates. The Share Transfer committee has been reconstituted on dated 14.02.2022.

• **Meetings**

No meeting of the Share Transfer Committee was held during the Financial Year ending 31st March, 2023.

The composition of the Share Transfer Committee and the details of meetings attended by its members are given below:

S. No	Name	Designation in Committee	Attendance
1	Mr. Santosh Kumar Bajaj	Chairman	0/0
2	Mrs. Rachna Gambhir	Member	0/0

E. GENERAL PURPOSE COMMITTEE

The Board had constituted a General Purpose Committee on 30th January, 2010 to smoothly and swiftly carry out the day to day businesses and transactions of the Company.

The Committee is headed by Mr. Kamakhya Chamaria who is also the Vice-Chairman & Managing Director of the Company. The Committee consists of 4 (Four) Directors out of which 3 are Non-Executive Directors and 1 is Executive Director.

• **Meetings**

During the Financial Year 2022-23 the General Purpose Committee met 5 (Five) times on 13th June 2022, 20th September 2022, 26th December 2022, 20th February 2023 and 30th March 2023.

The composition of the General Purpose Committee and the details of meetings attended by its members are given below:

S. No	Name	Designation in Committee	Entitled to attend	Meeting Attended
1	Mr. Kamakhya Chamaria	Chairman	5	5
2	Mr. Mahendra Kumar Agarwal	Member	5	5
3	Mr. Santosh Kumar Bajaj	Member	5	5
4	*Mr. Gaurav Tulshyan	Member	4	4

*Mr. **Gaurav Tulshyan** become member of the committee as on 12.08.2022.

F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is Constituted on 11.08.2023.

It Comprises of following members;

S.No	Name	Designation	Category
1	Mr. Kamakhya Chamaria	Chairman	(Executive-Non Independent)
2	Mr. Puran Chand	Member	(Non executive- Independent)
3	Mr. Mahendra Kumar Agarwal	Member	(Non executive- Non Independent)

III. SUBSIDIARIES

Your Company has 4 (Four) wholly owned subsidiaries namely:

Sl. No	Name of the Subsidiary	Address		Main Business Activity	Date of Acquisition
		Registered Office	Works		
1	Cement International Limited (CIN:U26942ML2000PLC006173)	Village Lumshonong, District Jaintia Hills, Meghalaya-793002	Debendra Nagar, Jhoom Basti, P.O Badarpur Ghat, Distt. Karimganj, Assam- 788803	Manufacturing & Selling of Cement.	31.03.2006
2	Badarpur Energy Private Limited (CIN:U40101AS2005PTC007654)	Debendra Nagar, Jhoom Basti, P.O Badarpur Ghat, Distt. Karimganj, Assam- 788803	Debendra Nagar, Jhoom Basti, P.O Badarpur Ghat, Distt. Karimganj, Assam- 788803	Generation of Electricity*	31.03.2006

3	Meghalaya Minerals & Mines Limited (CIN:U14108ML2000PLC006057)	Village Lumshonong, District Jaintia Hills, Lumshnong, Khliariat, Meghalaya-793200	Village Lumshnong, Distt. Jaintia Hills, Meghalaya-793200	Mining of Limestone	31.03.2006
4	Valley Strong Cements (Assam) Limited (CIN:U26940AS2009PLC009197)	Debendra Nagar, Jhoombasti, PO Badarpurghat, Badarpur, Assam-788803	Debendra Nagar, Jhoombasti, P.O Badarpur Ghat, Distt. Karimganj, Assam-788803	Yet to commence commercial operations.	31.03.2011

* Non operational since the Financial year 2017-18.

- The Audit Committee and the Board reviews the minutes, financial statements, significant transactions, investments made by the subsidiary companies, if any, and general working of the unlisted Subsidiary Companies.

IV. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e. <https://www.barakcement.com/whistle-blower-policy/>

V. GENERAL BODY MEETINGS

- Annual General Meeting**

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

Sl. No.	Year	Date of AGM	Day & Time	Venue	Details of Special Resolution, if any
1.	2021-22	27.09.2022	Tuesday, 03:00 P.M.	Debendra Nagar, Jhoombasti, PO Badarpurghat, Badarpur, Assam-788803 (Through Video Conferencing)	Provided below*
2.	2020-21	29.09.2021	Wednesday, 02:00 P.M.	Debendra Nagar, Jhoombasti, PO Badarpurghat, Badarpur, Assam-788803	No Special resolution has been passed.
3.	2019-20	30.12.2020	Wednesday, 01.00 P.M.	Debendra Nagar, Jhoombasti, PO Badarpurghat, Badarpur, Assam-788803	Provided below**

***Details of Special Resolution:**

Item No. 5:- Appointment of Mr. Kamakhya Chamaria (DIN: 00612581) as Managing Director of the Company.

****Details of Special Resolution**

Item No. 4:- Re-appointment of Mr. Kamakhya Chamaria (DIN: 00612581) as Vice Chairman and Managing Director of the Company designated as Key Managerial Personnel of the Company.

Item No. 5:- Approval of Disinvestment in Goombira Tea Company Limited, Wholly Owned Material Subsidiary.

- Extra-ordinary General Meeting**

No Extra-Ordinary General Meeting was held during the Financial Year 2022-23.

- Postal Ballot**

During the Financial Year 2022-23, no resolution has been passed through the exercise of postal ballot therefore the information regarding Voting Pattern and the person who conducted the postal ballot exercise are Not Applicable for the Company. The Special Resolution, if any, proposed to be conducted by Postal Ballot shall be in accordance with law.

VI. DISCLOSURES

- Related Party Transactions**

Related party transactions entered by your Company during the year were on arm's length basis and in the ordinary course of business. No materially significant related party transactions took place between the Company and its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. All related party transactions have prior approval of the

Audit Committee and are reviewed by the Audit Committee on a quarterly basis. The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website at the below mentioned Link:

<https://barakcement.com/PDF/Company%20Policies/POLICY%20FOR%20DETERMINING%20MATERIAL%20RELATED%20PARTY%20TRANSACTION.pdf>

All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Other Related party transactions as per requirements of Ind AS 24 are more fully mentioned in relevant Schedule of Notes on Account. However, all these transactions are on normal commercial arm's length basis. None of the transactions with any related parties are in prejudice to the interest of the Company.

Further senior management has no personal interest in material financial or commercial transactions which may have potential conflict with the interest of the Company.

The Directors of the Company are not related inter-se.

- **Disclosure of Accounting Treatment**

Your Company has followed all relevant Accounting Standards issued by ICAI in the preparations of financial statements. The significant accounting policies which are consistently applied have been set out in the Notes on Accounts. There is no material change in the Accounting Policies.

- **Risk Management**

The Company has established a procedure to enable Board Members to assess the prospective risk and to take proactive steps to mitigate the same. The established procedures are being evaluated from time to time to determine their relevance and reliability.

- **Proceeds from public issues, rights issues, preferential issues, etc.**

During the year, your Company did not raise any funds by way of public, rights, preferential issues, etc.

- **Management**

The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in the Listing Regulations.

No material transaction has been entered into by your Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with interests of your Company.

- **Policy on Material Subsidiary**

The Company's policy on "material subsidiary" is placed on the Company's website at;

<http://www.barakcement.com/PDF/Company%20Policies/POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf>

- **Certificate from Company Secretary in Practice**

A Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company 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 Statutory Authority forms part of this Annual Report.

- **Non-Compliance/Penalties/Strictures Imposed**

There are no instances of non-compliances on any other matter related to capital markets during the year under review and hence no strictures/penalties have been imposed by the stock exchanges or the SEBI or any statutory authority.

- **Details of compliance with Mandatory Requirements:**

The Company is complying with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 However, Company has not adopted any of the non-mandatory requirements stipulated under the said enactment.

The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e.

<https://www.barakcement.com/whistle-blower-policy/>

- **Compliance Certification by CEO/CFO**

The requisite certification from the Chief Financial Officer and Chief Executive Officer for the Financial Year 2022-23 required to be given under Regulation 17(8) and 33 (2) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 was placed before the Board of Directors of the Company at its meeting.

- **Report on Corporate Governance**

Your Company complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

- **Compliance**

A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of this Annual Report.

- **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

Your Company does not have material exposure of any commodity or Foreign exchange and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated 15th November, 2018.

- **Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

Your Company had not obtained any public funds during last three years.

- **Instances where the Board had not accepted any recommendation of any Committees of the Board:**

There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the financial year ended March 31, 2023.

- **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

Total fees for all services paid by your Company, on a consolidated basis to the Statutory Auditor is **Rs. 3,00,000/-** (Three Lacs only).

Detail of the fees paid by subsidiaries is as follows:

Name of the Subsidiary	Name of the Audit Firm	Amount of Fees Paid (In Rs.)
1. Cement International Limited	GTK & Co.	50,000
2. Badarpur Energy Pvt Ltd.	GTK & Co.	50,000
3. Meghalaya Minerals & Mines Ltd.	GTK & Co.	75,000
4. Valley Strong Cements (Assam) Ltd.	Balwan Jain & Co.	5,500

Further, no fee was paid by any of the subsidiaries or by the Company to any entity in the network firm / network entity of which the statutory Auditor is a part.

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

a. number of complaints filed during the financial year: Nil

b. number of complaints disposed of during the financial year: Nil

c. number of complaints pending as on end of the financial year: Nil

The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:

a) Executive Chairman's Office: The Company has Executive Chairperson.

b) Shareholders' Rights: As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website, the same are not being sent individually to the shareholders.

c) Modified Opinion in Audit Report: The Company's financial statement for the year ended 31st March, 2023 does not contain any modified audit opinion.

d) Separate Post of Chairperson and the Managing Director or the Chief executive Officer: The company's chairperson is a Managing Director. However, he is not related to Chief executive Officer as per the definition of the term relative defined under the companies Act, 2013.

e) Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.

- **Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Account:**

In terms of the provisions of Section 124(5) of the Act, dividend which remains unpaid / unclaimed for a period of seven years from the date of declaration will be transferred to the IEPF. Further, in terms of the provisions of the Investor Education and Protection

Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules.

The Company had issued individual notices to all shareholders who have not claimed dividend for the last seven consecutive years. Further, notices were also published in newspapers on 27th April, 2017 respectively. The Company has transferred 3,106 shares to the IEPF being the unclaimed/unpaid dividend for 2009-10. In compliance with the aforesaid Rules, the Company has already transferred equity shares pertaining to the financial year 2009-10 to the IEPF Suspense Account, after providing necessary intimations to the relevant shareholders.

• **Compliance with Corporate Governance requirements**

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

VII. CREDIT RATING

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. The Credit Rating of your company has been revised from CARE BB to CARE BB+ w.e.f 26.06.2023.

VIII. MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, forms a part of the Directors’ Report.

IX. MEANS OF COMMUNICATION

Quarterly results and other relevant information:

The Company’s quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, are published in prominent English and Regional language newspapers usually in English Language Newspaper (‘Financial Express’) and Regional Newspaper (‘Baturi Kakot’). The quarterly financial results are also posted on the website of the Company - www.barakcement.com. No presentations are made to the institutional investors or to the analysts.

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly / half yearly and the annual results of the Company are also placed on the Company’s website: www.barakcement.com and can be downloaded.

All periodical compliance filings like shareholding pattern, corporate governance report, investor presentations, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE’s Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates and are displayed on the Company’s website.

Website:

The Company’s website www.barakcement.com contains a separate section ‘Investor’ for use of investors. The quarterly, half yearly and annual financial results and official news releases are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

The Company has also designated an email-id cs@barakcement.com for investor servicing.

X. GENERAL SHAREHOLDER INFORMATION

i Annual General Meeting

Date: Tuesday, 27th September, 2022
 Time: 03:00 P.M.
 Deemed Venue: Debendranagar, Jhoombasti, P.O. Badarpurghat, Badarpurghat, Karimganj, Assam-788803

ii Financial Year

From: 1st April, 2022
 To: 31st March, 2023

iii Book Closure Date

From: 21st September, 2022
 To: 27th September, 2022
 (Both days inclusive)

iv Dividend Payment Date

No Dividend is proposed for the Financial Year 2022-23.

v Listing of shares

Equity Shares Listed on Stock Exchanges : The Equity Shares of the Company are listed on **National Stock Exchange (NSE)**

Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai-400051

[scrip code: BVCL]

Bombay Stock Exchange (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400023

[scrip code: 532916]

vi Payment of Listing Fees:

The payment of the Annual Listing Fees for the financial year 2023-24 had been paid by the Company to BSE and NSE on which the securities of the Company are listed.

vii Payment of Depository Fees:

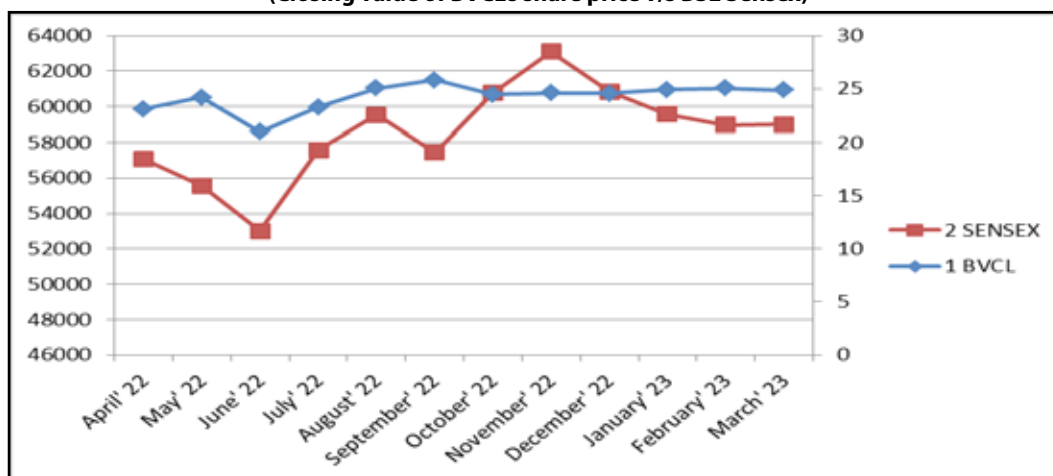
Annual Custody/Issuer fee for the financial year 2023-24 has been paid by the Company to CDSL & NSDL.

viii Market Price Data: High, Low (based on the closing prices) and volume of shares traded at BSE and NSE, for the Financial Year 2022-23 are as follows:

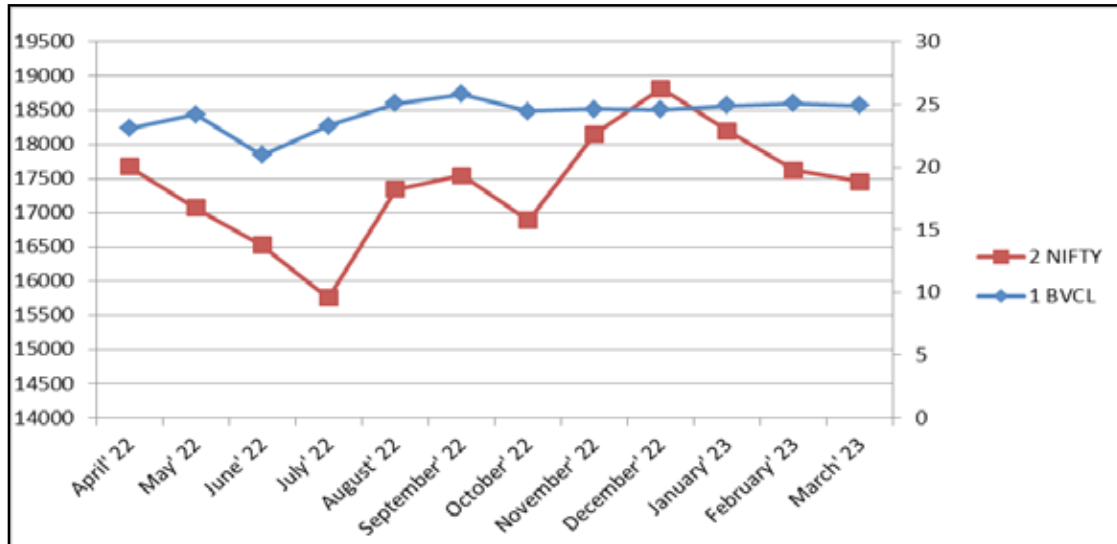
Month	Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	High(Rs)	Low(Rs)	Volume	High(Rs)	Low(Rs)	Volume
April'22	26.20	22.15	111409	23.60	22.30	3804
May'22	25.50	20.15	58323	24.40	22.70	494
June'22	24.70	19.85	23249	22.35	21.05	3150
July'22	24.80	20.25	27065	24.45	23.15	1293
Aug'22	32.25	22.40	161251	25.85	24.10	7444
Sept'22	28.55	22.80	83088	26.00	24.55	7338
Oct'22	25.95	23.20	40225	24.75	23.70	1220
Nov'22	25.00	22.80	35999	25.55	23.35	17023
Dec'22	26.90	22.60	46507	26.30	24.50	15185
Jan'23	28.15	23.55	54819	25.25	23.40	16023
Feb'23	28.60	23.50	45186	25.20	24.00	7448
Mar'23	29.04	22.01	70526	24.85	23.50	2940

ix. Performance in comparison to broad-based indices such as BSE Sensex, NSE Nifty etc:
Performance in comparison to BSE Sensex

(Closing value of BVCL's share price v/s BSE Sensex)



**Performance in comparison to NSE Nifty
(Closing value of BVCL's share price v/s NSE Nifty)**



x Registrar & Share Transfer Agents

The details of the RTA is as follows:

MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Phone: 011-41406149; Fax: 011-41709881
E-mail: admin@mcsregistrars.com

xi Share Transfer System

Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfer of Shares are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect. Transfer of Shares in dematerialized form is duly processed by NSDL/CDSL in electronic form through the respective Depository Participants. Dematerialization is required to be done within a period of 21 days from the date of lodgment of dematerialization request, complete in all respect, with the Depository Participant of the Shareholder.

xii Details of Unpaid Dividend as on 31.03.2023

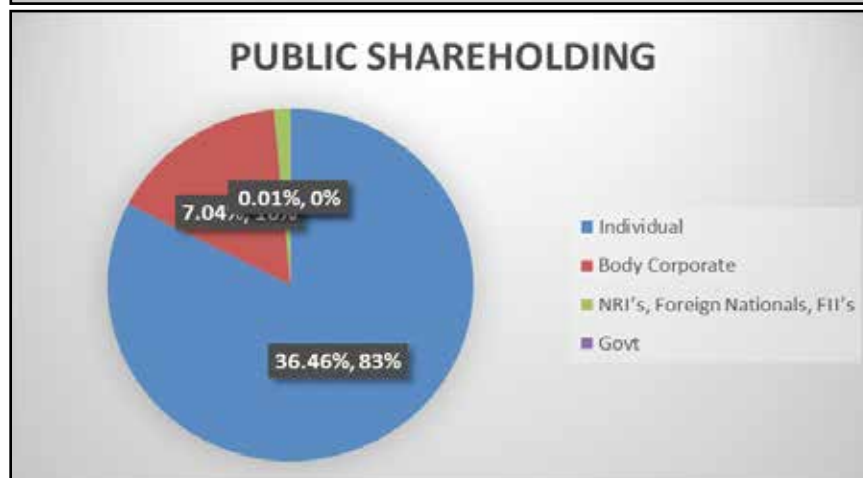
No amount of unclaimed dividend is due for transfer to Investor Education and Protection Fund as on March 31, 2023.

xiii Distribution of Shareholding as on 31.03.2023

Range	Shares	Folios	Percent Shares	Percent Holders
1-500	747031	5939	3.3711	84.2411
501-1000	404601	476	1.8258	6.7518
1001-2000	412524	263	1.8616	3.7305
2001-3000	255922	100	1.1549	1.4184
3001-4000	170681	48	0.7702	0.6809
4001-5000	207090	44	0.9345	0.6241
5001-10000	436373	59	1.9692	0.8369
10001-50000	1280673	57	5.7792	0.8085
50001-100000	1809887	24	8.1674	0.3404
AndAbove	16435218	40	74.1661	0.5674
*Total	*22160000	7050	100.0000	100.0000

Shareholding Pattern as on 31.03.2023

Category	No. of Shares	% of Holding
Promoter		
Individual	1,18,77,736	53.60%
Body Corporate	5,00,000	2.26%
Sub Total (A):	1,23,77,736	55.86%
Public:		
Individual	80,80,419	36.46%
Body Corporate	15,59,356	7.04%
NBFC/Financial Institutions/Bank	---	---
NRI's, Foreign Nationals, FII's	139383	0.63%
Govt.	---	---
Others (IEPF)	3,106	0.01%
Sub Total (B):	97,82,264	44.14%
Total (A+B):	2,21,60,000	100%



xiv Dematerialization of Shares and liquidity as on 31.03.2023

Particulars	No. of Shares	Percentage
<i>Dematerialization</i>		
NSDL	1,54,27,656	69.62%
CDSL	61,10,338	27.57%
Sub Total	2,15,37,994	97.20%
<i>Physical</i>	6,22,006	2.80%
Total	2,21,60,000	100%

xv Outstanding GDRs/ADRs/Warrants or any convertible Instruments

There are no outstanding GDRs/ADRs/Warrants or any other convertible instruments of the Company.

xvi Proposed date for approval of financial results

Quarter Ending 30 th June, 2023	On or before 14 th August, 2023
Quarter Ending 30 th September, 2023	On or before 14 th November, 2023
Quarter Ending 31 st December, 2023	On or before 14 th February, 2024
Quarter Ending 31 st March, 2024	On or before 30 th May, 2024

xvii ISIN Allotted to the Company by the Depositories:

The Company has signed Depository agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company is **INE139I01011**.

xviii Corporate Identity Number

Corporate Identification Number (CIN): **L01403AS1999PLC005741**

xix Financial Calendar (for the year 2022-23)

The Company follows Financial Year starting from the 1st day of April of the Financial Year and ending on the 31st day of March of the following year.

xx Reconciliation of Share Capital Audit

- i. Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certificates on yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- ii. A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued /paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form.

xxi Plant Locations

Debendra Nagar, Jhoombasti, P.O. Badarpurghat,
Distt. Karimganj, Assam-788803
Phone: 03843-269435/881
Fax: 03843-268965

This Corporate Governance Report of the Company for the financial year ended 31st March 2023 is in compliance with the requirements of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xxii Address for Correspondence

- a) *Registered Office:* Debendranagar, Jhoombasti, P.O. Badarpurghat,
Dist. Karimganj, Assam-788803
Ph: 03843-269435/881; Fax: 03843-268965
E-mail: cs@barakcement.com
- b) *Corporate Office:* Unit Nos. DSM 450-451-452, DLF Towers,
15 Shivaji Marg, Moti Nagar, New Delhi -110015
Phone: 011-41212600
E-mail: delhi@barakcement.com

- c) *Branch Office:* 202, Royal View, B.K. Kakoti Road,
Ulubari, Guwahati, Assam-781007
CF-361, Salt Lake City, Sector-1, Kolkata-700064
Ph: 033-40046161/62; Fax: 033-40046164
E-mail: kolkata@barakcement.com
- d) *Compliance Officer:* Mrs. Rachna Gambhir (Company Secretary)
Ph: 011-41212600
E-mail: acs@barakcement.com

For and on behalf of the Board of Directors

**Place: New Delhi
Date: 11.08.2023**

**Mahendra Kumar Agarwal
(Director)
DIN: 00044343**

**Add: 77 BE Block, Sector-1, Bidhan Nagar,
North 24 Paraganas, West Bengal-700064**

**Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN : 00612581**

**Add:- 48/72, West Punjabi Bagh,
New Delhi-110026**

DECLARATION

I, Mukesh Kumar Shovasaria, Chief Executive Officer of the Company do hereby declare that during the Financial Year ended March 31, 2023, all the board members and senior management personnel have affirmed compliance with the code of conduct of the Company as provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For BARAK VALLEY CEMENTS LIMITED

**Sd/-
(Mukesh Kumar Shovasaria)
Chief Executive Officer**

**Place: New Delhi
Date: 11.08.2023**

CEO/CFO CERTIFICATION

To,

The Board of Directors

Barak Valley Cements Limited

Sub: Certificate under Regulation 17(8) and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

We the undersigned certify to the board that:

1. We have reviewed the financial statement, read with the cash flow statement of Barak Valley Cements Limited ("the Company") for the year ended 31st March, 2023 and to best of our knowledge and belief:
 - (i) these statements do not contain any materially 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes in the Company's internal control over financial reporting during the year.
 - b. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - c. instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

For **BARAK VALLEY CEMENTS LIMITED**

Sd/-
Rajesh Aggarwal
(Chief Financial Officer)

Sd/-
Mukesh Kumar Shovasaria
(Chief Executive Officer)

Place: New Delhi

Date : 11.08.2023

CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF BARAK VALLEY CEMENTS LIMITED HAVE BEEN DEBARRED OR DISQUALIFIED

Pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

To

The Members
Barak Valley Cements Limited

This certificate is being issued pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to Barak Valley Cements Limited (hereinafter called "the Company" having its Registered office at Debendranagar, Jhoombasti, P.O. Badarpurghat, Dist. Karimganj, Assam-788803.

For the purposes of issuance of this certificate, we have examined the relevant books, papers, forms and returns filed, notices received from the Directors of the Company for the financial year **2022-23**; other records maintained by the Company and also the information provided by its Officers and authorised representatives.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, we hereby certify that none of the Directors of the Company stated below, and who were on the Board of Directors of the Company as on **31st March, 2023**, are debarred or disqualified from being appointed or continue to act as Directors of the Companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs, Government of India or any other statutory authority(ies) :

S. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Mr. Mahendra Kumar Agarwal	00044343	30/11/1999
2	Mr. Santosh Kumar Bajaj	00045759	13/03/2006
3	Mr. Puran Chand	08468978	29/05/2019
4	*Mr. Dhanpat Ram Agarwal	00322861	13/03/2006
5	Mr. Kamakhya Chamarla	00612581	30/09/2009
6	Mrs. Renu Kejriwal	06768299	20/12/2013
7	Mr. Shyam Agarwal	08294059	14/11/2018
8	Mr. Gaurav Tulshyan	08210596	12/08/2022

*Mr. Dhanpat Ram Agarwal ceased to be Director of the Company w.e.f 21.06.2023.

Place: Delhi

Date:11.08.2023

For Shailendra Roy & Associates
Company Secretaries
Shailendra Kumar Roy
Company Secretary in Practice
 CP no. 11738
 M.no. 25823

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

(In pursuant to Part E of Schedule V of the SEBI [Listing Obligation & Disclosure Requirements] Regulations, 2015)

To**The Members of****Barak Valley Cements Limited**

We have examined the compliance of the conditions of Corporate Governance by Barak Valley Cements Limited ('the Company') for the financial year ended **March 31, 2023**, as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended.

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

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

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

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

Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For P.K. Lakhani & Co.
Chartered Accountants
(Firm Registration no. 014682N)
CA Sandeep Gulati
Partner
Membership No. 509230

Place: Gurgaon**Date: 11.08.2023**

Independent Auditors' Report
To
The Members of Barak Valley Cements Limited,
Report on the Audit of the Standalone Financial Statements
Opinion

We have audited the accompanying standalone financial statements of **Barak Valley Cements Limited ('the Company')**, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit including other comprehensive income, 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 specified under Section 143 (10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our Report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

S. no.	The Key Audit Matter	Auditor's Responses
1.	Revenue Recognition: Discounts, incentives and rebates. (i) Revenue is measured net of discounts, incentives, rebates etc. given to the customers. (ii) The company's presence across different marketing regions of North eastern states and the competitive business environment makes the assessment of various types of discounts, incentives and rebates complex and judgemental. (iii) There is a risk of revenue being misstated as a result of variations in the assessment of various discount schemes etc. and not properly recognised in accordance with Ind AS -115 'Revenue from contracts with customers'.	Our audit procedure to assess the appropriateness of revenue recognition included : a) Understanding and assessing the design, implementation and operating effectiveness of the key control system regarding the revenue recognition process and its compliance with the Ind AS -115. b) Assessing and verifying the appropriateness of the company's accounting policies relating to discounts , rebates etc. c) Assessed the company's computation for accrual of discounts, incentives and rebates on a sample basis and compared the accruals with the approved scheme and underlying sales documents. d) Comparison of historical trend of payments and reversal of such discounts etc. e) Assessed the adequacy of relevant disclosures made within the financial statements. Our testing as described above showed that revenue has been properly recorded in accordance with the terms of contract and according to the policy adopted by the company.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's and Board of Director's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, 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 Indian Accounting Standards (Ind AS) 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 the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate implementation and maintenance of accounting policies; making judgements 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and quantitative factors in (1) planning the scope of our audit work and in evaluating the results of our audit work: and (2) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on other Legal & 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, to the extent applicable.
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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the standalone Statement of Profit and Loss including other comprehensive income, Statement of changes in Equity and the Cash Flows Statement dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and according to the information and explanations given to us, the company has paid/ provided for managerial remuneration in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to the best of our information and according to the explanation given to us:
 - (i) The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March' 2023.
 - (iv)
 - a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 persons or entities, 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, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entities, 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;

- (c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.
- (v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For P.K. Lakhani & Co.,
Chartered Accountants
Firm Registration No.: 014682-N
(CA. Sandeep Gulati)
Partner
M. No. : 509230
UDIN : 23509230BGSWYQ9475

Place: Gurgaon
Date: 30th May' 2023

Annexure "A" to the Independent Auditors' Report

The Annexure referred to in Paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report for the year ended 31st March' 2023:

1. In respect of the Company's Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) The company has maintained proper records showing full particulars of intangible assets.
 - (c) 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 a regular programme of physical verification of its Property, plant and equipment by which all property, plant and equipment are physically verified by the Management in a phased manner at reasonable intervals. Such periodicity is reasonable having regard to the size of the business and nature of its Property, plant and equipment. No material discrepancies were noticed on such physical verification.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
 - (e) 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 not re-valued its property, plant and equipment or intangible assets or both during the year.
 - (f) According to the 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 there under.
2.
 - (a) The inventories, except goods in transit and material lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management of the company. In our opinion, having regard to nature and location of inventory, the procedures of physical verification of inventories as followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the books record.
 - (b) 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 been sanctioned working capital limits in excess of five crore rupees in aggregate from banks on the basis of security of current assets of the company. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
3.
 - (a) According to the information and explanations given to us and on the basis of examination of the records of the company, the company has made investment in companies and has not made investments in firms, limited liability partnership or other parties. The company has not provided any guarantee and security and has granted loans and advances in nature of loans to companies during the year, in respect of which requisite information is as below.

(Rs. in Lakhs)

Particulars	Loans/ Advances in nature of Loans
Aggregate amount given during the year :	
- Subsidiaries	8.46
- Others	--
Balance Outstanding as at the Balance Sheet date:	
- Subsidiaries	20.62
- Others	--

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion investments made, and the terms and conditions of the grant of loans and advances in nature of loans provided during the year are prima facie, not prejudicial to the interest of the company.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the company, in the case of loans and advances given in nature of loans, there is no stipulated schedule of repayment of principal and interest there on, as the petty advances are given on temporarily basis to wholly owned subsidiaries and other related parties.
- (d) There is no overdue amount for more than ninety days in respect of such loans/ advances given
- (e) There is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment as under.

Particulars	Related parties (Rs. in Lacs)
Aggregate amount of loans /advances in nature of loans	20.62
- Repayable on demand (without specifying terms and repayment period)	20.62
- % of loans / advances in nature of loans to the total loans	100%

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loan and investments made, except loans/ advances to the wholly owned subsidiaries on which no interest has been charged as they have already incurred heavy losses.
5. According to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable to the company.
6. Pursuant to the rules made by the Central Government, the Company is required to maintain Cost Records as specified under Sec. 148(1) of the Act. We have broadly reviewed the same, and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
7. In respect of Statutory Dues:
- (a) The company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, Goods and Service tax, Custom duty, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amount payable in respect of aforesaid dues which were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable.

- (b) According to the information and explanations given to us, the particulars of disputed taxes and duties as at March 31,2023 which have not been deposited with the appropriate authorities, are as under:

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
Assam Entry Tax Act, 2008	Entry – Tax demand	90.79	2005 -06 to 2008 -09	Appellate Authority, Guwahati.
Income - Tax Act, 1961	Income Tax demand	187.58	Assessment year 2017-18	CIT(Appeals), Kolkata.
Central Excise Act, 1944.	Refund of Excise duty	258.84	FY 2008-09 to FY 2014-15	Superintendent, Central Goods & Service-Tax division, Silchar (Assam).

8. 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. (a) Based on our audit procedures and as per the information and explanation given to us by the management, the company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender including the loans and interest which are repayable on demand.
- (b) Based on our audit procedures and as per the information and explanation given to us by the management, the company has not declared as wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the term loans taken during the year were applied for the purpose for which they were obtained.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) According to the information and explanations given to us and on the basis of our examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. According, clause 3(x)(a) of the Order is not applicable.
- (b) 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 not made any preferential allotment or private placement of shares or convertible debentures during the year. According reporting under clause 3(x) (b) of the Order is not applicable.
11. (a) According to the information and explanations given to us, and based upon the audit procedures performed during the year, we report that no fraud by the company or on the company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no whistle blower complaints have been received by the company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable Indian accounting standards.
14. (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the company issued for the period under audit have been considered by us.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with him and hence requirement to report on clause 3 (xv) of the Order is not applicable to the company.
16. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the company. Accordingly, the requirement to report on clause 3(xvi) (a) to (c) of the order is not

applicable to the company.

- (b) In our opinion, there is no core investment company within the Group and accordingly reporting on clause 3(xvi) (d) of the Order is not applicable to the company.
17. In our opinion and according to the information and explanations given to us, the Company has not incurred Cash losses in the current financial year and in the immediate preceding financial year.
18. There has been no resignation of the Statutory auditors during the year. Accordingly, provisions of clause (xviii) of the Order are not applicable to the company.
19. According to the information and explanations given to us and 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 audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that, this is not an assurance as to the future viability of the company. We further state that, our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and (b) of the Order are not applicable.

For P.K. Lakhani & Co.,
Chartered Accountants
Firm Registration No.: 014682-N
(CA. Sandeep Gulati)
Partner
M. No. : 509230
UDIN : 23509230BGSWYQ9475

Place: Gurgaon

Date: 30th May' 2023

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirement's' Section

We have audited the internal financial controls over financial reporting of **Barak Valley Cements Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on our judgment, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the criteria for internal financial control over financial reporting 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 ICAI.

For P.K. Lakhani & Co.,
Chartered Accountants
Firm Registration No.: 014682-N
(CA. Sandeep Gulati)
Partner
M. No. : 509230
UDIN : 23509230BGSWYQ9475

Place: Gurgaon
Date: 30th May' 2023

Standalone Balance Sheet as at 31st March' 2023

		(Rs. In Lacs)	
Particulars	Notes	31-Mar-23	31-Mar-22
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Asset			
(i) Property, Plant and Equipment	3 (a)	11,373.23	12,024.39
(ii) Intangible assets	3 (b)	0.36	0.36
(b) Capital work-in-progress	3 (c)	-	16.03
(c) Investment in Subsidiaries	4	1,249.89	1,249.89
(d) Financial assets			
(i) Investments	4	12.55	12.84
(ii) Other financial assets	5	184.57	340.50
(e) Other non-current assets	6	303.74	330.72
Total Non-Current Assets		13,124.34	13,974.73
(2) Current assets			
(a) Inventories	7	3,709.46	1,996.16
(b) Financial assets			
(i) Trade receivables	8	1,295.57	1,221.86
(ii) Cash and cash equivalents	9	11.47	111.87
(iii) Bank balances (other than (ii) above)	10	60.37	58.53
(iv) Loans	11	20.62	51.13
(v) Other financial assets	12	6.31	18.26
(c) Other current assets	13	2,293.74	2,539.07
Total Current Assets		7,397.54	5,996.87
Total Assets		20,521.89	19,971.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	2,216.00	2,216.00
(b) Other equity	15	7,113.82	6,544.39
Total Equity		9,329.82	8,760.39
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,794.87	4,484.07
(ii) Other financial liabilities	17	777.40	800.89
(b) Employee benefit obligations	18	178.24	153.51
(c) Deferred tax liabilities (net)	19	211.36	102.62
(d) Other non current liabilities	20	83.85	93.16
Total Non-current Liabilities		4,045.72	5,634.25
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	3,074.38	2,836.94
(ii) Trade payables	22		
(a) Dues of Small Enterprises and Micro Enterprises		190.09	184.39
(b) Outstanding Dues of Creditors other than (a) above		1,724.01	1,080.10
(iii) Other financial liabilities	23	480.42	480.50
(b) Employee benefit obligation	24	49.86	40.34
(c) Other current liabilities	25	1,613.11	954.69
(d) Income - tax liabilities (net)	26	14.49	-
Total current liabilities		7,146.35	5,576.96
Total liabilities		11,192.06	11,211.21
Total equity and liabilities		20,521.89	19,971.60

Significant accounting policies and notes on accounts

1 & 2

The accompanying notes 1-52 are an integral part of the financial statements

In terms of our report of even date

For P.K. Lakhani & Co.,

Chartered Accountants,

Firm Registration No. 014682-N

For & on behalf of the Board of Directors
(Kamakhya Chamaria)
 Vice Chairman & Managing
 Director

(Santosh Kumar Bajaj)
 Director

(CA. Sandeep Gulati)

Partner

M.No. 509230

Gurgaon, 30th May' 2023
(Rajesh Aggarwal)
 Chief Financial Officer

(Mukesh Kumar Shovasaria)
 Chief Executive Officer

(Ms. Rachna Gambhir)
 Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH' 2023

Particulars	Notes	(Rs. In Lacs)	
		31-Mar-23	31-Mar-22
INCOME			
Revenue from operations	27	17,446.27	17,272.83
Other income	28	120.95	209.83
Total Income		17,567.21	17,482.66
EXPENSES			
Cost of materials consumed	29	4,812.29	6,459.82
Changes in inventories of finished goods and work in progress	30	(855.54)	8.11
Employee benefit expenses	31	1,516.09	1,507.41
Finance costs	32	869.22	924.05
Depreciation and amortization expenses	33	704.55	520.74
Other expenses	34	9,683.38	7,395.31
Total expenses		16,729.99	16,815.43
Profit before exceptional items and tax		837.23	667.23
Exceptional items		-	-
Profit before Exceptional Item and Tax		837.23	667.23
Less:-Exceptional Items		-	759.00
Profit/ (Loss) before Tax		837.23	(91.77)
Tax expenses	35		
- Current tax		144.25	-
- Deferred tax		112.86	335.54
Total tax expenses		257.11	335.54
Net Profit / (Loss) for the year		580.12	(427.30)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
impact of remeasurement of non - current investment		(0.29)	1.08
Re-measurement (losses) on Defined Benefit Plan		(14.52)	(8.97)
Deferred tax on above		(4.12)	(2.19)
Other comprehensive income/ (Loss) for the year, net of taxes		(10.69)	(5.69)
Total Comprehensive Income / (Loss) for the year		569.43	(433.00)
Earnings per equity share (Face value of Rs. 10/- each)	36		
Basic earning per share (in Rs.)		2.62	(1.93)
Diluted earning per share (in Rs.)		2.62	(1.93)

Significant accounting policies and notes on accounts

1 & 2

The accompanying notes 1-52 are an integral part of the financial statements
In terms of our report of even date

For P.K. Lakhani & Co.,

Chartered Accountants,
Firm Registration No. 014682-N

(CA. Sandeep Gulati)

Partner
M.No. 509230

Gurgaon, 30th May' 2023

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
Vice Chairman & Managing
Director

(Santosh Kumar Bajaj)
Director

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

Stand alone Cash Flow Statement for the year ended 31st March' 2023

		(Rs. In Lacs)	
S.no.	Particulars	31st March, 2023	31st March, 2022
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit before Tax and exceptional items	837.23	667.23
	Adjustment for:		
	Add : Depreciation and amortisation expenses	704.55	520.74
	Interest & finance charges	869.22	924.05
	Guarantee Fees Income	(3.00)	(4.00)
	Interest on Bank deposits and Others	(73.24)	(26.72)
	Re-measurement (losses) on Defined Benefit Plan	(14.52)	(8.97)
	Operating Profit before working capital changes	2,320.24	2,072.33
	Adjustment for change in :		
	Trade Receivable	(73.71)	227.42
	Inventories	(1,713.30)	(437.57)
	Loans	30.51	(2.87)
	Other Assets	438.34	692.16
	Trade & other payable	887.04	(376.90)
	Other Liabilities and Provisions	707.08	(439.46)
	Cash generated from Operations	2,596.20	1,735.11
	Direct Taxes Paid	(144.25)	(101.24)
	Prior period adjustments / Exceptional Items	-	(759.00)
	Net Cash Flow from operating activities	2,451.95	874.87
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	(Purchase)/ Sales of Property, plant and equipment	(37.36)	(404.16)
	Interest on Bank deposits and Others	73.24	26.72
	Guarantee Fees Income	3.00	4.00
	Sales of Investments in Subsidiaries	-	2,555.12
		38.87	2,181.68
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Net proceeds from issue of Equity Shares	-	-
	Increase in Long term Bank & Other borrowings	(1,722.00)	(2,052.46)
	Dividend (including CDT)	-	-
	Interest and finance charges paid	(869.22)	(924.05)
		(2,591.22)	(2,976.51)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(100.40)	80.04
	Add:- Opening Balance of cash & Cash Equivalents	111.87	31.82
	Cash & Cash Equivalents at the Closing of the year	11.47	111.87
	Note : Cash & Cash Equivalents comprises of :	31st March, 2023	31st March, 2022
	Cash in hand	10.69	8.49
	Balance with banks	0.77	103.37
	Total	11.47	111.87

Note : Figures in brackets indicate cash outflow.
 This is the Cash Flow Statement referred to in our report of even date.

For P.K. Lakhani & Co.,
 Chartered Accountants,
 Firm Registration No. 014682-N

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
 Vice Chairman & Managing
 Director

(Santosh Kumar Bajaj)
 Director

(CA. Sandeep Gulati)
 Partner
 M.No. 509230
Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
 Chief Financial Officer

(Mukesh Kumar Shovasarria)
 Chief Executive Officer

(Ms. Rachna Gambhir)
 Company Secretary

Standalone Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital

(Rs. In Lacs)

Particulars	Notes	As at 31-03-2023	As at 31-03-2022
Balance at the beginning of the year	14	2,216.00	2,216.00
Changes in equity share capital during the year		-	-
Balance at the end of the year		2,216.00	2,216.00

B. Other Equity

Particulars	Notes	Reserve and Surplus			Total Other equity
		Securities Premium	General Reserve	Retained Earnings	
Balance as at 01st April, 2021	15	1,514.40	397.29	5,065.70	6,977.39
Profit/ (Loss) for the year		-	-	(427.30)	(427.30)
Other comprehensive income/ (Loss) net of tax		-	-	(5.69)	(5.69)
Impact of deferred tax/ others		-	-	-	-
Balance as at 31st March, 2022	15	1,514.40	397.29	4,632.71	6,544.39
Profit/ (Loss) for the year		-	-	580.12	580.12
Other comprehensive income/ (Loss) net of tax		-	-	(10.69)	(10.69)
Balance as at 31st March, 2023		1,514.40	397.29	5,202.14	7,113.82

The accompanying notes 1-52 are an integral part of the financial statements
In terms of our report of even date

For P.K. Lakhani & Co.,
Chartered Accountants,
Firm Registration No. 014682-N

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
Vice Chairman & Managing
Director

(Santosh Kumar Bajaj)
Director

(CA. Sandeep Gulati)
Partner
M.No. 509230
Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

1. COMPANY OVERVIEW

Barak Valley Cements Limited (the company) is a public limited company having its Registered office address at Debendra Nagar, Jhoom Basti, PO Badarpurghat, Distt Karimganj, Assam-788803. The company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The company's principal business is manufacturing and selling of Cement. The company caters mainly to the domestic market of north eastern states of India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation:

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Employee's defined benefit plans – as per actuarial valuation
- Certain financial assets & Liabilities that are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement dates under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated.

2.2 Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in the Schedule - III to the Companies Act, 2013. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.3 Property, plant and equipment:

All items of Property, plant and equipment (PPE) are stated at their historical cost of acquisition, installation or construction (net of any recoverable amount, if any) less accumulated depreciation, amortization and impairment losses, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditure are included in the asset's carrying amount or recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

2.4 Capital Work In Progress :

Property, plant and equipment (PPE) which are not ready for their intended use as at the close of the reporting period are classified as 'Capital work in progress' and carried at cost and includes any directly attributable cost incurred during construction period. Such items are classified to the appropriate category of property, plant and equipment only after their completion and ready for their intended use. Depreciation of these assets commences when the assets are substantially ready for their intended use.

2.5 Expenditure during construction period:

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned prior to commencement of commercial production/ completion of project are capitalized as part of property, plant and equipment.

2.6 Depreciation:

Depreciation on Property, plant and equipment is provided on Written down Value (WDV) Method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C' thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

2.7 Intangible Assets and Amortisation:

An Intangible asset is recognized when it has finite useful life and it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. The company amortises intangible assets with finite useful life using straight line method. Expenditure on purchased / developed software and IT related expenditure are written off over a period of three years.

2.8 Financial Instruments:

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

(A) Financial Assets :

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows. For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income. For investment in debt instruments, this will depend on the business model in which the investment is held.

ii) Measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments (except subsidiary, associate and joint venture, which are carried at cost) at fair value through other comprehensive income.

iii) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through standalone statement of profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. 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 is recognized as an impairment gain or loss in standalone statement of profit and loss. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognized in the standalone statement of profit and loss.

iv) De-recognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset.

v) Trade Receivables

Trade receivables are recognized initially at transaction price. Later on any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognised shall be accounted for as an expense. Subsequently receivables are measured at amortized cost using the effective interest method, less provision for impairment if any.

(B) Financial liabilities:

i) Classification

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through statement of profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through statement of profit and loss.

iii) De-recognition:

A financial liability is derecognised 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 recognised in the standalone statement of profit and loss.

iv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in standalone statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to any other party and the consideration paid, is recognized in profit or loss as finance cost or other income. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for 12 months after the reporting period.

v) Trade payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. They are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

2.9 Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.10 Investment in Subsidiaries :

The Company's investment in its subsidiary, associate and joint venture are carried at cost less accumulated impairment loss, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Standalone Statement of Profit and Loss.

2.11 Inventories:

Raw Materials, stores and spares, fuel and packing material are valued at lower of cost and net realizable value. Cost is determined on weighted average basis and includes purchase price, other cost incurred in bringing the inventories to their present location and condition and taxes for which credit is not available. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress, traded goods and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of Inventories is computed on weighted average basis.

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

2.12 Revenue Recognition:

Revenue from sale of goods is recognized when effective control of the goods or services or products along with significant risks and rewards of ownership are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods. The sales are accounted when the products are dispatched to the customers. Delivery occurs when the products has been dispatched to the specified location and the risk of the loss etc. has been transferred and there is no unfulfilled obligation that could affect buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of consideration due to sale of goods.

Revenue is recognised based on the price specified in the contract, net of estimated volume and other rebates and discounts. Past experience is used to estimate and provide for the discounts, using the expected value method and revenue is only recognised to the extent that it is highly probable that reversal will not occur. A contract liability is recognised for expected volume discounts payable to the customers in relation to the sales made till the end of the reporting period.

Revenue is exclusive of goods and service tax and net of quantity discounts, cash discounts, rebates and sales returns. A receivable is recognised when the goods are dispatched to the customers in the normal course of business.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.13 Impairment of non – financial assets:

Property, plant and equipment, intangible assets and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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 (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in 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. Impairment losses on continuing operations, including impairment on inventories are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

2.14 Employee Benefits:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefit obligations

Accumulated compensated absences, which are expected to be availed or encash beyond 12 months from the end of the period are treated as other long term employee benefits for measurement purpose. The company's liability is determined by an independent actuary using the Projected Unit Credit method at the end of each period. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(iii) Defined Contribution Plan

Employees benefits in the form of provident fund and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due.

(iv) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

2.15 Government Grants and Subsidies :

Government grants and subsidies are recognized at fair value when there is reasonable certainty that the same would be received and the company would comply with all the conditions attached with them. Revenue grants in the nature of recoupment or reimbursement of any particular items of expenses are recognized on a systematic basis in the statement of profit and loss as deduction / adjustment from related item of expenditure. Capital grants related to assets which are recognized in the Balance Sheet as deferred income, are recognized in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related assets by netting off with the related expenses.

2.16 Tax Expenses:

Income tax expense or credit represents the sum of the current tax and deferred tax.

Current and deferred tax is recognised in the Standalone Statement of Profit and Loss except to the extent it relates to items recognised in 'Other comprehensive income' or directly in equity.

Current tax :

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the standalone statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be 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. Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax:

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the standalone balance sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the standalone balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set off the current income tax assets and liabilities, and (b) when the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as an asset if it is probable that MAT credit can be used in future years to reduce the regular tax liability. The carrying amount of deferred tax assets and MAT credit is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.17 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale and borrowing costs are being incurred. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

2.18 Provisions and Contingencies:

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses. Provisions are determined based on management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expenses.

Liabilities which are material in nature and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are not recognised in the financial statements.

2.19 Cash and Cash Equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash in hand, cash at bank and demand deposits with banks and other short term highly liquid investments /deposits with an original maturity period of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

2.20 Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.21 Leases :

Ind- AS 116 Leases sets out principles for recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short term leases and low value items, under a single on- balance sheet lease accounting model. A lessee recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivable at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight line basis over the lease term, unless the receipt from lessee is structured to increase in line with general inflation and compensate for the lessor's expected cost increase.

2.22 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief executive officer (CEO) and Managing director (MD) of the Company has been identified as CODM who regularly monitors and reviews the operating results and the financial position of the Company, and makes strategic decisions.

2.23 Dividends:

Dividends paid / payable shall be recognised in the year in which the related dividends are approved by Shareholders or the Board of Directors as appropriate. The amount is recognised directly in equity.

2.24 Recent pronouncements :

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

Ind AS 1 – Material accounting policies

The amendments mainly related to shifting of disclosure of erstwhile 'significant accounting policies' in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policy to make them more entity specific. This amendment align with the 'material' concept already required under International Financial Reporting standards (IFRS).

Ind AS 8 – Definition of accounting estimates

The amendments specify definition of 'change in accounting estimate' replace with the definition of 'accounting estimates'.

Ind AS 12 – Income taxes- Annual improvement to Ind AS (2021)

The amendments clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, if a company has not yet recognised deferred tax assets and deferred tax liability on right of use assets and lease liabilities or has recognised deferred tax assets / liabilities on net basis, that company shall have to recognise deferred tax assets / liabilities on gross basis bases on the carrying amount of assets and liabilities.

The company does not expect aforesaid amendments to have significant impact on the financial statements.

(Rs. In Lacs)

Particulars	(a). Property, plant and Equipment							(b). Intangible Assets		Total (A+B)	
	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)		Computer Software (Bought out)
Gross Block (At Cost)											
As at 01.04.2021	5,666.52	762.93	69.61	5,633.20	28.86	147.39	26.79	13.03	12,348.33	70.28	70.28
Additions	4.00	365.72	4.61	2,295.13	21.11	-	6.64	11.86	2,709.07	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2022	5,670.52	1,128.65	74.22	7,928.32	49.97	147.39	33.44	24.88	15,057.39	70.28	70.28
Additions	-	14.33	-	22.41	2.04	9.90	1.97	2.75	53.40	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2023	5,670.52	1,142.98	74.22	7,950.73	52.00	157.29	35.41	27.63	15,110.79	70.28	70.28
Accumulated Depreciation											
As at 01.04.2021	-	272.08	26.79	2,076.78	13.85	95.46	18.18	9.12	2,512.27	69.92	69.92
charge for the year	-	51.73	4.59	437.61	5.32	14.58	3.13	3.76	520.74	-	-
Disposals/deductions/adjustment	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2022	-	323.82	31.39	2,514.39	19.18	110.04	21.31	12.88	3,033.01	69.92	69.92
charge for the year	-	76.61	4.15	594.11	7.26	10.57	3.79	8.07	704.55	-	-
Disposals/deductions/adjustment	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2023	-	400.43	35.53	3,108.50	26.44	120.61	25.10	20.95	3,737.56	69.92	69.92
Net Block :											
As at 31.03.2022	5,670.52	804.83	42.83	5,413.93	30.79	37.35	12.13	12.00	12,024.39	0.36	0.36
As at 31.03.2023	5,670.52	742.55	38.68	4,842.23	25.57	36.68	10.31	6.68	11,373.23	0.36	0.36

Notes : (i) All immovable properties are held in the name of the company.

Notes to financial statements [Contd.]

	(Rs. In Lacs)
Note: 3 (c) Capital Work in Progress (CWIP)	Amount
As at 01.04.2021	2,320.94
Additions	
Expenditure made during the year	194.10
Capitalised during the year	(2,499.01)
As at 31.03.2022	16.03
Expenditure made during the year	1.27
Capitalised during the year	(17.30)
As at 31.03.2023	-

CWIP Ageing Schedule :

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Project in Progress :	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31.03.2022					
Project in Progress :	16.03	-	-	-	16.03
Projects temporarily suspended	-	-	-	-	-
Total	16.03	-	-	-	16.03

Pre -operative expenditure included in CWIP	Amount	Amount
Brought forward as part of CWIP as at 01.04.2021		24.87
Add: Expenditure made during the year		
(i) Employee benefit expenses	13.56	
(ii) Depreciation and amortisation	-	
(iii) Misc. admn. Expenses	4.90	18.46
Total		43.34
Less : Capitalised during the year		(43.34)
As at 31.03.2022		-
Add: Expenditure made during the year		-
Total		-
Less : Capitalised during the year		-
As at 31.03.2023		-

	(Rs. In Lacs)	
	31-Mar-23	31-Mar-22
Note: 4 - Investments		
(A) Investment in Subsidiaries - Unquoted		
Investment in Unquoted Equity Instruments in Subsidiaries :		
Badarpur Energy Private Limited 49,63,340 (49,63,340 as at 31.03.22) Equity Shares of Rs 10/- each fully paid up.	-	-
Cement International Limited 9,92,700 (9,92,700 as at 31.03.2022) Equity Shares of Rs 10/- each fully paid up.	456.07	456.07
Meghalaya Minerals & Mines Limited 14,90,000 (14,90,000 as at 31.03.22) Equity Share of Rs 10/- each fully paid up.	405.92	405.92
Valley Strong Cements (Assam) Ltd. 4,74,250 (4,74,250 as at 31.03.22) Equity Share of Rs 10/- each fully paid up.	387.90	387.90
Total	1,249.89	1,249.89
(B) Investment in Others (Unquoted) - non current :		
Investments in unquoted equity instruments at FVTPL		
North East Power & Infra Limited 1,80,000 (1,80,000 as at 31.03.22) Equity Share of Rs 10/- each fully paid up.	12.55	12.84
Total	12.55	12.84
Total non - current investments		
Aggregate amount of Quoted investment	-	-
Aggregate amount of Unquoted investments	12.55	12.84
	12.55	12.84

	(Rs. In Lacs)	
	31-Mar-23	31-Mar-22
Note: 5 Other financial assets - Non Current		
Security deposits		
Unsecured, considered good	184.57	340.50
	184.57	340.50

	31-Mar-23	31-Mar-22
Note: 6 - Other non-current assets		
<u>Unsecured, Considered Good</u>		
Capital advances	303.74	330.72
	303.74	330.72

	31-Mar-23	31-Mar-22
Note: 7 - Inventories		
Raw Materials and components	640.15	150.68
Work - In - Progress	944.21	181.30
Finished Goods	188.39	95.75
Packing Materials	78.18	66.42
Stores & Spares parts, fuels	1,858.54	1,502.00
	3,709.46	1,996.16

Note: 8 - Trade receivables	31-Mar-23	31-Mar-22
Trade Receivables considered good - Secured	306.10	232.10
Trade Receivable considered good - Unsecured	989.46	989.76
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
Total Trade receivables	1,295.57	1,221.86

Note : 8 contd.. (Trade Receivables - Ageing Schedule)

Particulars	Amount Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
As at March 31, 2023						
Undisputed Trade Receivables :						
(i) Considered good	1,116.79	35.53	12.45	2.95	48.46	1,216.18
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables :						
(i) Considered good	-	-	-	18.13	61.26	79.39
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-

As at March 31, 2022						
Undisputed Trade Receivables :						
(i) Considered good	795.43	31.41	14.09	64.40	22.73	928.06
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables :						
(i) Considered good	-	-	-	89.72	204.08	293.80
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-

Note: 9 - Cash and cash equivalents	31-Mar-23	31-Mar-22
Cash in hand	10.69	8.49
Balance with Banks - In current accounts	0.77	103.37
	11.47	111.87

Note: 10 - Other - Bank balances other than above	31-Mar-23	31-Mar-22
Deposits with banks- Held as margin money deposits with original maturity of more than 3 months and upto 12 months *	60.37	58.53
	60.37	58.53

* The bank balance disclosed above represents margin money against bank guarantee or kept as security are subject to regulatory restrictions and are therefore not available for general use by the Company.

Note: 11 - Loans (Current)	31-Mar-23	31-Mar-22
Loans and advances to related parties (Unsecured, Considered Good)	20.62	51.13
	20.62	51.13

Note: 12 - Other financial assets (Current)	31-Mar-23	31-Mar-22
-Advances to employees	6.31	18.26
	6.31	18.26

Note: 13 - Other current assets	31-Mar-23	31-Mar-22
(Unsecured, considered good unless otherwise stated)		
-Advances to suppliers	688.83	991.21
-Balances with statutory/government authorities	673.47	476.99
-Advances for services & expenses	931.44	969.62
-Advance income tax (net of tax provision including MAT)	-	101.24
	2,293.74	2,539.07

(Rs. In Lacs)

Note: 14 - Equity share capital	31.03.2023	31.03.2022
Authorised Capital	2,500.00	2,500.00
{2,50,00,000 Equity Shares (2,50,00,000 as at 31.03.2022) of Rs. 10/- each}		
Issued, Subscribed, Called & fully Paid -up shares		
{2,21,60,000 Equity Shares (2,21,60,000 as at 31.03.2022) of Rs. 10/- each, fully paid up.}	2,216.00	2,216.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

	As at 31st March' 2023	As at 31st March' 2022
Equity Shares	No. of Shares	No. of Shares
At the beginning of the year	22,160,000	22,160,000
Issued during the year	-	-
Balance at the end of the year	<u>22,160,000</u>	<u>22,160,000</u>

(b) Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10.00 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 the 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.

(c) Details of Shareholders holding more than 5% shares in the company

	As at 31st March' 2023	As at 31st March' 2022
Name of the Shareholders	No. of Shares/ % of holding	No. of Shares/ % of holding
Sh. Prahlad Rai Chamaria	2,023,800 9.13%	2,023,800 9.13%
Sh. Santosh Kumar Bajaj	1,884,500 8.50%	1,884,500 8.50%

Sh. Mahendra Kumar Agarwal	1,455,613 6.57%	1,475,780 6.66%
Mrs. Bina Garodia	2,159,800 9.75%	2,159,800 9.75%

(d) There are no shares bought back or allotted either as fully paid up by way of bonus shares or allotted under any contract without payment received in cash during 5 years immediately preceding March 31, 2023.

Note - 15 Other Equity	31.03.2023	31.03.2022
Securities Premium		
Opening Balance	1,514.40	1,514.40
Addition/(deduction) during the year	-	-
	1,514.40	1,514.40
General Reserve		
Opening Balance	397.29	397.29
Addition/(deduction) during the year	-	-
	397.29	397.29
Retained Earnings		
Opening Balance	4,632.71	5,065.70
Profit / (Loss) for the year	580.12	(427.30)
Add: Other comprehensive income/ (Loss) (net of taxes)	(10.69)	(5.69)
Add: impact of deferred tax/ others	-	-
Total Retained earnings	5,202.14	4,632.71
Total Other Equity	7,113.82	6,544.39

Nature and purpose of reserves :

- (i) Securities Premium : At the time of Initial Public Offer, the excess of issue price of shares over the face value of shares issued, minus expenditure incurred on issuance of shares is treated as Securities Premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares, write off equity related expenses etc.
- (ii) General Reserve : The company had transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956.
- (iii) Retained Earnings : Retained Earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the the shareholders of the company.
- (iv) The company has not declared or paid any dividend during the year.

(Rs. In Lacs)

Note: 16 - Borrowings	31-Mar-23	31-Mar-22
Term loans (secured) : [Refer notes below]		
Rupee term loans from a financial institution	1,615.37	1,916.04
Working Capital Term loan from Banks (GECL Scheme)	734.50	901.30
Loan from body corporates (unsecured)	396.04	894.93
Loans from related parties (unsecured)	590.21	1,104.15
Other loans (secured)		
- 'Hire purchase finance from banks & financial institution	127.48	338.74
	3,463.60	5,155.16
Less: Current maturities of long term borrowings	(668.72)	(671.10)
	2,794.87	4,484.07

- (i) Term Loan raised during the year have been used for the same purpose for it was drawn.
- (ii) Rupee Term Loans (RTL) of Rs. 1,615.37 lakhs (Last year : Rs. 1,916.04 lakhs) is consisting of two loans (i) Rs. 215.36 Lakhs (sanctioned amount Rs. 800.00 Lakhs) from a financial institution which is repayable from April' 2018 in quarterly installments of Rs. 30.77 lakhs till Sept.' 2024 and (ii) Rs. 1,400.01 Lakhs (sanctioned amount Rs. 1600.00 Lakhs) from a financial institution which is repayable from August' 2022 in monthly installment of Rs. 22.22 lakhs till July' 2028. The loan is secured by first charge on land, building including civil structure of the company's assets and extension of first charge on plant and machinery, fixed and immovable assets of the company on pari-passu basis with IDBI Bank. The loans has also been guaranteed by personal guarantees of some of the Directors of the Company.
- (iii) WCTL Loan of Rs. 734.50 Lakhs (Last year : Rs. 901.30 Lakhs) under GECL Scheme is secured by way of Second charge on all the current assets of the company, which were extended for taking existing credit facility of Rs. 2500.00 Lakhs.
- (iv) Loans from Other parties are unsecured in nature and due for repayment after 12 months as on the reporting date. The company does not have any existing default as at the date of balance sheet.
- (v) Term Loans from related parties are long term in nature.
- (vi) Hire Purchase Finance is secured by hypothecation of vehicles / equipments and is repayable within three to four years.

Note: 17 Other financial liabilities (non-current)	31-Mar-23	31-Mar-22
-Security Deposit	456.80	504.12
-Trade Payable for capital goods	320.60	296.77
	777.40	800.89

Note: 18 - Employee benefit obligations	31-Mar-23	31-Mar-22
Provisions for employee benefits		
- Leave encashment	42.32	35.89
- Gratuity	135.92	117.62
	178.24	153.51

Note: 19 - Deferred tax assets/ (liabilities) (net)	31-Mar-23	31-Mar-22
Deferred Tax Assets		
- MAT Credit entitlement / Disallowances of Expenses	189.67	238.89
- Staff Leave encashment and gratuity	9.53	8.85
- Tax effect of Other Comprehensive Income	11.79	7.68
	211.00	255.42
Deferred Tax liability		
- Impact of difference between tax depreciation and depreciation charged	422.36	358.05
	422.36	358.05
Net deferred tax Assets/(liability)	(211.36)	(102.62)

Note: 20 Other non current liabilities	31-Mar-23	31-Mar-22
- Deffered Government Grant Income	83.85	93.16
	83.85	93.16

Note: 21 - Borrowings	31-Mar-23	31-Mar-22
<i>Secured</i>		
Working capital facilities from banks (Refer note below)		
- Cash credit limit (loan payable on demand)	2,405.66	2,165.85
Current maturities of long term borrowings	668.72	671.10
	3,074.38	2,836.94

Notes-

(a) Working Capital facilities of Rs. 2,405.65 lacs (Last year : Rs. 2,165.84 Lacs) from banks (sanctioned amount : Rs. 2,500.00 Lacs) are secured by first charge on current assets of the company and first charge on the fixed assets of the company pari-passu basis with NEDFi, both present and future including mortgage of immovable assets. Working Capital facilities from banks have also been guaranteed by some of the Directors of the company.

Note: 22 - Trade Payables	31-Mar-23	31-Mar-22
(a) Outstanding dues of Micro and Small Enterprises (Refer note 40)	190.09	184.39
(b) Others	1,724.01	1,080.10
Total trade payables	1,914.09	1,264.49

Note : 22 contd. (Trade payables ageing Schedule :)
(Rs. In Lacs)

Particulars	Amount Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2 -3 years	More than 3 years	
As at March 31, 2023					
Undisputed Dues :					
(i) MSME	190.06	0.02	-	-	190.09
(ii) Others	1,699.86	16.71	0.58	6.86	1,724.01
Disputed Dues :					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	1,889.92	16.74	0.58	6.86	1,914.09
As at March 31, 2022					
Undisputed Dues :					
(i) MSME	184.07	0.32	-	-	184.39
(ii) Others	1,003.42	19.22	3.41	54.06	1,080.10
Disputed Dues :					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	1,187.49	19.54	3.41	54.06	1,264.49

Note: 23 - Other financial liabilities (current)	31-Mar-23	31-Mar-22
Interest accrued but not due on borrowings	14.48	36.33
Other payables :		
-Selling and other expenses payable	88.48	126.73
-Salaries, Wages and Other Benefits to Staff Payable	90.93	98.08
-Other liabilities	286.53	219.36
	480.42	480.50

Note: 24 - Employee benefit obligation	31-Mar-23	31-Mar-22
Provisions for employee benefits :		
-Leave encashment	11.53	10.25
- Gratuity	38.33	30.08
	49.86	40.34

Note: 25 - Other current liabilities	31-Mar-23	31-Mar-22
Deferred government grant	9.32	9.32
Other payables		
-Statutory liabilities (including TDS, P.F. & GST)	1,545.60	843.35
-Advances from customer	58.19	102.02
	1,613.11	954.69

Note: 26 - Income - tax liabilities (net)	31-Mar-23	31-Mar-22
Provision for taxation (net of advance income tax)	14.49	-
	14.49	-

(Rs. In Lacs)

Note: 27 - Revenue from operations	31-Mar-23	31-Mar-22
Sale of products		
Domestic Sale	17,446.27	17,272.83
Other operating income	-	-
Revenue from operation	17,446.27	17,272.83

Note: 28- Other income	31-Mar-23	31-Mar-22
Interest income on:-		
-Bank deposits & others advances	73.24	26.72
-Gaurantee fee Income	3.00	4.00
-Amortisation of deferred income	9.32	9.32
-Other Non- Operating income	35.39	169.79
	120.95	209.83

Note: 29 - Cost of materials consumed	31-Mar-23	31-Mar-22
Inventory at the beginning of the year	217.11	389.72
Add: Purchases during the year	5,313.51	6,287.20
	5,530.62	6,676.92
Less :Inventory at the end of the year	718.33	217.11
Cost of Materials Consumed during the year	4,812.29	6,459.82

(Rs. In Lacs)

Note: 30 - Changes in Inventories of Finished goods and Work -in -progress	31-Mar-23	31-Mar-22
Inventories at the end of the year		
Work -in -Progress	944.21	181.30
Finished Goods	188.39	95.75
	1,132.60	277.05
Inventories at the beginning of the year		
Work -in -Progress	181.30	142.78
Finished Goods	95.75	142.38
	277.05	285.16
(Increase) /Decrease in inventories	(855.54)	8.11

Note: 31 - Employee benefit expenses	31-Mar-23	31-Mar-22
Salaries, Wages & other manpower expenses	1,433.73	1,405.75
Contribution to Provident and other funds	50.72	51.05
Gratuity Expenses	12.19	23.24
Staff welfare expenses	19.45	27.37
	1,516.09	1,507.41

Note: 32 - Finance costs	31-Mar-23	31-Mar-22
Interest expense		
-On Term loans	291.02	277.88
-On Working Capital	338.34	354.00
Other finance costs	239.86	292.17
	869.22	924.05

Note: 33 - Depreciation and amortization expenses	31-Mar-23	31-Mar-22
Deprecation on tangible Assets	704.55	520.74
	704.55	520.74

Note: 34 - Other expenses	31-Mar-23	31-Mar-22
Consumption of Stores & Spare parts	801.69	640.85
Power & Fuel	6,465.42	4,733.46
Rent	58.53	52.60
<u>Repairs & Maintenance</u>		
- Building	29.56	48.50
- Plant & Machinery	80.26	61.32
- Others	47.44	37.65
Vehicle running, Maintenance expenses	36.03	15.77
Printing, Stationery & Computer expenses	16.60	17.56
Material Handling & Freight Charges	169.53	116.94
Travelling and Conveyance	56.79	48.78
Insurance Expenses	39.62	29.50
Rates & Taxes	6.12	7.61
Auditor's Remuneration	3.00	2.50
Sundry advances written off	100.01	7.90
Director's Remuneration	46.23	48.00

Charity & Donation	38.52	28.76
Miscellaneous Expenses	291.56	189.04
Outward transportation cost	1,110.08	1,171.45
Advertisement, Publicity & Sales Promotion Expenses	280.55	126.33
Telephone expenses	5.86	10.80
	9,683.38	7,395.31

(35) Tax Expenses :

(Rs. In Lacs)

S. no.	Particulars	2022-23	2021-22
(a)	<u>Current Tax:</u> Current tax on profits / (Losses) for the year	144.25	--
(b)	<u>Deferred Tax:</u> Deferred tax	112.86	335.54
	Total Tax Expenses	257.11	335.54

Provision for tax amounting Rs. 144.25 lacs has been made as per MAT provisions of the Income -tax Act, 1961.

(36) Earnings per share:

Earnings per Share (EPS) for the year ended 31st March' 2023 is calculated as under:

(Rs. In Lacs)

		2022-23	2021-22
(a)	Net Profit / (Loss) attributable to Equity Shareholders of the company (In Lac Rs.)	580.12	(427.30)
(b)	The weighted average number of Ordinary Share outstanding for Basic / Diluted EPS (In No.'s)	2,21,60,000	2,21,60,000
(c)	Face value per Ordinary Share.(In Rs.)	10.00	10.00
(d)	Earnings Per Share - Basic & Diluted (In Rs.)	2.62	(1.93)

(37) Capital Commitments

The estimated amount of Contracts remaining to be executed on Capital Account and other capital commitment not provided for Rs. - Nil - (Rs. 32.40 Lacs as at 31st March' 2022)

(38) Contingent liabilities not provided for:

- (a) Corporate Guarantee's given to Financial Institutions/ Banks on behalf of wholly owned subsidiaries: Rs. 300.00 Lacs (Rs. 400.00 Lacs as at 31st March' 2022).
- (b) Claims against the company not acknowledged as debts: Disputed demands of Entry – tax/ Income- Tax / Central Excise duty refund matters pending before the Appellate Authorities: Rs. 537.21 Lacs (Rs. 537.21 lacs as at 31st March' 2022)
- (c) Fixed Deposit Receipts pledged with the banks / others: Rs. 49.71 Lacs (Rs. 49.71 Lacs as at 31st March' 2022)

(39) Payment made to Auditor's during the year ended is as under: -

(Rs. in Lacs)

Particulars	31st March' 2023	31st March'2022
a. Statutory Audit fees	2.25	1.75
b. Tax - Audit fees	0.50	0.50
c. Certification / other services	0.25	0.25
Total	3.00	2.50

(40) Dues to Micro and Small Enterprises

The company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Based on the information/ documents available with the company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

Particulars	31 st March, 2023	31st March, 2022
(I) -Principal amount due to suppliers registered under MSMED Act and remaining unpaid at the end of the year	190.09	184.39
-Interest due on above	--	--
Total amount outstanding	--	--
(ii) The amount of Principal/ interest paid by the company in terms of Section 16	--	--
(iii) The amount of interest due and payable for the period of delay	--	--
(iv) The amount of interest accrued and remaining unpaid	--	--
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	--	--

There is no principal and interest overdue to Micro and Small enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company and the same has relied upon by the auditors.

(41) Assets pledged as Security: The carrying amount of assets pledged as security for borrowings are as under:

(Rs. In Lacs)

Particulars	31 st March, 2023	31 st March, 2022
(I) First charge on Current Assets :		
(i) Inventory	3,709.46	1,996.16
(ii) Trade Receivable	1,295.57	1,221.86
(iii) Cash and cash equivalents	11.47	111.86
(iv) Other bank balances	60.37	58.53
(v) Loans/ other financial assets	26.93	69.39
(vi) Other current assets	2,293.74	2,539.07
Total Current assets	7,397.54	5,996.87
(II) First charge on Non – Current Assets :		
(i) Property, plant and equipments	11,373.59	12,040.78
Total Non -Current assets	11,373.59	12,040.78
Total Assets pledged as security	18,771.13	18,037.65

(42). Employees benefit obligations:
a) Defined contribution plans:

The Company makes contribution towards employees' provident fund and labour welfare fund schemes. Under these schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of these schemes, to these defined contribution schemes. During the year, the Company recognised Rs. 50.72 Lacs (Rs. 51.05 Lacs as at 31st March, 2022) as expense towards contribution to these plans and included in "Employee benefit expenses" in Note 31 to the financial statements.

b) Defined benefit plans:
(i) Leave encashment:

Under leave encashment scheme, the company allows its employees to en-cash accumulated leave over and above thirty days at any time during the year. So, accumulated leave encashment liability for up to 30 days period is classified as non -current liability and over the period of 30 days is covered under current liability. Earned Leave liability at year end are as follows :

(Rs. in Lacs)

		31st March' 2023	31st March' 2022
A	Current Liability (Amount Due within one year)	11.53	10.25
B	Non-Current Liability (Amount Due over one year)	42.32	35.89
	Total amount of Leave Encashment	53.85	46.14

(ii) **Gratuity:**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death or termination of employment as per the Company's policy. The gratuity payable to employees is based on the employee's tenure of service and last drawn salary at the time of leaving the services of the company. The gratuity benefits are payable after five years of continuous service by the employee and are valued in accordance with the Payment of Gratuity Act, 1972.

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

Amount recognised in Statement of Profit and Loss

(Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Service Cost	11.22	9.64
Net Interest expenses/ (income)	9.93	8.20
Re- assessment of transfer obligations	5.55	5.40
Re -measurement loss on defined benefit plan	(14.51)	--
Total amount recognized in Statement of Profit and Loss	12.19	23.24

Amount recognised in Other Comprehensive Income (Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(Gain)/ Loss from change in financial assumption	(2.33)	(4.41)
(Gain) / Loss on arising from Experience adjustment	16.85	13.38
(Gain)/ Loss on arising from change in demographic assumption	--	--
Total amount of (Gain)/ Loss recognized in Other Comprehensive Income	14.52	8.97

(Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligations :		
Balance at the beginning of the year	147.71	122.45
Current Service Cost	11.22	9.64
Net Interest expenses/ (income)	9.93	8.20
Re- assessment of transfer obligations	5.55	5.40
Re-measurement due to :		
(Gain)/ Loss from change in financial assumption	(2.33)	(4.41)
(Gain) / Loss on arising from Experience adjustment	16.85	13.38
Benefits paid / adjusted loss	(14.68)	(6.95)
Balance at the close of the year	174.25	147.71
Fair Value of plan assets	16.64	--
Unfunded Liability	157.61	147.71

		31.03.2023	31.03.2022
A	Current Liability (Amount Due within one year)	38.33	30.08
B	Non-Current Liability (Amount Due over one year)	135.92	117.62
	Total Gratuity liability amount	174.25	147.71

The significant actuarial assumptions were as follows:

Particulars	31st March' 2023	31st March' 2022
Discount Rate	7.37 %	7.16 %
Salary Escalation	5.00 %	5.00 %
Withdrawal Rate (depending on age)	2% to 5%	2% to 5%

Retirement Age	58	58
Mortality Rate	IALM (2012-2014) table	IALM (2012-2014) table

Sensitivity analysis of the defined benefit obligations are here as under :

(Rs. in Lacs)

Particulars	Impact on Defined Benefit obligations			
	Increase in assumption by 0.5%		Decrease in assumption by 0.5%	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change due to Discount rate	(5.33)	(4.52)	5.66	4.81
Change due to Salary growth rate	5.76	4.89	(5.47)	(4.63)

(iii) Risk Exposure:

Through its defined benefit plans the Company is exposed to a number of risks, significant of which are as follows:

- Investment risk: If the plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Life Expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.
- Salary growth risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability. Any variation in salary increase rate assumption in future valuations will also increase the liability.

(43) - Financial instruments by category

(Rs. in Lacs)

Particulars	31st March, 2023			31st March, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets :						
Investment in equity instruments	-	12.55	-	-	12.84	-
Security Deposits	-	-	184.57	-	-	340.50
Trade Receivables	-	-	1,295.57	-	-	1,221.86
Cash and cash equivalents	-	-	11.47	-	-	111.87
Balance with banks	-	-	60.37	-	-	58.53
Recoverable from related parties	-	-	20.62	-	-	51.13
Other financial assets	-	-	6.31	-	-	18.26
	-	12.55	1,578.91	-	12.84	1,802.15
Financial Liabilities :						
Borrowings	-	-	5,869.25	-	-	7,321.01
Security Deposit	-	-	456.80	-	-	504.12
Trade payable	-	-	1,914.09	-	-	1,264.49
Salary, wages and other benefits to employees	-	-	90.93	-	-	98.08
Other Liabilities	-	-	710.09	-	-	679.19
	-	-	9,041.16	-	-	9,866.89

i) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial

statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the financial instruments is determined using Net Worth method.

iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

(Amount in Lacs)

Particular	31 st March' 2023			31 st March' 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	-	-	12.55	-	-	12.84
Total financial assets	-	-	12.55	-	-	12.84

iv) Fair value of financial assets and liabilities measured at amortized cost :

The carrying amounts of all other financial assets i.e. term deposits and interest there on, trade receivables, cash and cash equivalents, other financial assets and financial liabilities i.e. borrowings, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short -term nature.

(44) - Capital management

(a) Risk Management : The company's objective when managing capital are to Safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend to shareholders, return capital to shareholders or issue new shares. The company monitors capital using debt -equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

(Rs. in Lacs)

Particulars	As at 31st March' 2023	As at 31st March' 2022
Total Debt	5,869.25	7,321.01
Less : Cash and Cash equivalents	71.84	170.40
Adjusted net debt	5,797.41	7,150.61
Total Equity	9,329.82	8,760.39
Gearing Ratio (Net debt / Equity + net debt)	0.38	0.45

(b) Dividend: During the year, management of the company has decided not to declare any dividend and accumulated its retained earnings for future projects and consolidates its operating efficiency.

(45) Related Party disclosures:

Name of the related parties where control exists	Nature of relationship
Meghalaya Minerals & Mines Ltd.	Subsidiary Company
Badarpur Energy Pvt. Ltd.	Subsidiary Company
Cement International Ltd.	Subsidiary Company
Valley Strong Cements (Assam) Ltd.	Subsidiary Company

Other related parties :	Nature of relationship
(I) Enterprises Influenced by Key Management Personnel (KMP):	
North East Power & Infra Ltd.	Enterprises influenced by KMP
Om Infracon Pvt. Ltd.	Enterprises influenced by KMP
Plascom Industries, LLP	Enterprises influenced by KMP
Meghalaya Cements Ltd.	Enterprises influenced by KMP
Neelachal Marketing Pvt. Ltd.	Enterprises influenced by KMP
LKC Industries & Infra Pvt. Ltd.	Enterprises influenced by KMP
Goombira Green Pvt. Ltd.	Enterprises influenced by KMP
Dony Power & Infra, LLP	Enterprises influenced by KMP
Dony Polo Udyog Ltd.	Enterprises influenced by KMP

(II) Key Management Personnel :	Designation
Sh. Kamakhya Chamaria	Vice Chairman and Managing Director
Sh. Santosh Kumar Bajaj	Director
Sh. Mahendra Kumar Agarwal	Vice Chairman and Non executive Director
Mrs. Laxmi Chamaria	Wife of Sh. Kamakhya Chamaria, Vice Chairman & Managing Director
Sh. Mukesh Kumar Shovasaria	Chief Executive Officer
Mr. Rajesh Aggarwal	Chief Financial Officer
Ms. Rachna Gambhir	Company Secretary

Details of transactions with the related parties are shown as below:

S. no.	Type of Transaction	Subsidiary Companies		Other Enterprises influenced by KMP		(Rs. In Lacs)	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
		Key Management Personnel / Relatives					
1	Sale of Stores, spares, goods and other services:						
	: Badarpur Energy Pvt. Ltd.	0.04	2.95				
	: Cement International Ltd.	0.10	-				
	: Meghalaya Minerals & Mines Ltd.	13.32	9.29				
	: Dony Power & Infra LLP			-	0.73		
	: North East Power & Infra Ltd.			0.23	23.55		
	: LKC Industries & Infra Pvt. Ltd.			6.14	4.96		
2	Purchase of Raw Material, goods/ services:						
	: Meghalaya Minerals & Mines Ltd.	995.83	850.752				
	: North East Power & Infra Ltd.			840.18	443.23		
	: LKC Industries & Infra Pvt. Ltd.			2.27	-		
	: Plascom Industries, LLP			710.12	674.11		
3	Loan & Advances taken / (Repayment) :						
	: Cement International Ltd.	(36.08)	(22.98)				
	: Meghalaya Minerals & Mines Ltd.	(9.47)	(152.88)				
	: Dony Polo Udyog Ltd.			-	(181.42)		
	: Om Infra Con Pvt. Ltd.			20.00	(6.35)		
	: LKC Industries & Infra Pvt. Ltd.			72.94	114.75		
	: Neelachal Marketing Pvt. Ltd. (net)			(65.24)	(5.68)		
	: Sh. Kamakhya Chamaria					63.08	(116.85)
	: Sh. Mahendra Kumar Agarwal					(573.50)	(539.00)
4	Loans/ Advances given/ (Repayment) :						
	: Badarpur Energy Pvt. Ltd.	6.86	0.81				
	: Valley Strong Cements (Assam) Ltd.	1.60	1.81				
	: Goombira Green Pvt. Ltd.			(38.96)	0.25		

5	Interest paid /credited :						
	: Meghalaya Minerals & Mines Ltd.	-	10.52				
	: Dony Polo Udyog Ltd.			-	10.07		
	: Om Infra Con Pvt. Ltd.			15.92	15.17		
	: Neelachal Marketing Pvt. Ltd.			32.88	1.31		
	: LKC Industries & Infra Pvt. Ltd.			19.93	10.47		
	: Sh. Kamakhya Chamaria					4.09	10.90
6	Guarantee fee / Hire charges received :						
	: Meghalaya Minerals & Mines Ltd.	3.54	4.72				
7	Office Rent paid :						
	: Mrs. Laxmi Chamaria					26.28	14.00
8	Remuneration paid to Key Management personnel / their relatives :						
	: Sh. Kamakhya Chamaria					46.23	48.00
	: Sh. Mukesh Kumar Shovasaria					36.40	26.99
	: Sh. Rajesh Aggarwal					23.04	21.84
	: Ms. Rachna Gambhir					7.23	2.27
9	Balance Outstanding :						
	(a) Loan taken :						
	: Cement International Ltd.	57.14	93.23				
	: Meghalaya Minerals and Mines Ltd.	-	9.47				
	: Om Infra Con Pvt. Ltd.			244.12	209.79		
	: LKC Industries & Infra Pvt. Ltd.			225.87	152.93		
	: Neelachal Marketing Pvt. Ltd.			-	65.24		
	: Sh. Kamakhya Chamaria					63.08	-
	: Sh. Mahendra Kumar Agarwal					-	573.50
	(b) Loan given :						
	: Valley Strong Cement (Assam) Ltd.	12.95	11.35				
	: Badarpur Energy Pvt. Ltd.	7.67	0.81				
	: Goombira Green Pvt. Ltd.			-	38.96		
	(c) Trade Receivables :						
	: LKC Industries & Infra Pvt. Ltd.			4.00	0.86		
	(d) Trade Payables / (Advances given):						
	: Meghalaya Minerals & Mines Ltd.	(324.88)	(335.82)				
	: North East Power & Infra Ltd.			113.14	115.95		
	: LKC Industries & Infra Pvt. Ltd.			2.79	3.80		
	: Plascom Industries, LLP			155.95	166.49		
	: Mrs. Laxmi Chamaria					0.25	1.80

(46) Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand; or without specifying any terms or period of repayment:

(Rs. in Lacs)

Type of borrower	Amount of Loans or advances in nature of loans outstanding as at		% to the total loans and advances in the nature of loan as at	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Related party in which director is interested	--	38.96	--	76.21%
Wholly owned Subsidiary companies	20.62	12.17	100%	23.79%

(47) **Segment Information:** The company's Chief operating decision maker (CODM) has identified only one business segment i.e. Manufacturing and Sales of Cement and its only production facility is located in India. There are no other separate reportable segment. The entire revenue of the company has been generated by way of domestic sales in North Eastern states. There are no individual customers or a particular group contributing to more than 10% of revenue. The company does not hold any non-current assets in foreign countries.

(48) **Financial risk management:**

Financial risk factors

The Company's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's assets and operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that are derived directly from its operations. The company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company is in place. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Audit Committee and the Board are regularly apprised of these risks every quarter and each such risk and mitigation measures are extensively discussed and the same are summarized below:

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

(a) **Credit Risk:** Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The company is exposed to credit risk from its operating activities primarily from trade receivables including deposits with banks and financial institutions and other financial instruments.

(i) **Trade receivables:** Customer credit risk is managed by the company through its established policy, procedures and control relating to customer credit risk management. Trade receivables are non interest bearing and are generally carrying 30-45 days credit term. Outstanding debtors are regularly monitored by the sales and collection team of the company. Further the company receives security deposits from its customers which mitigate the credit risk. The ageing of trade receivables as of balance sheet date is as below:

(Rs. In Lacs)

Particulars	Less than 6 months	More than 6 months and up to 1 year	1-2 year	2-3 year	More than 3 year	Total carrying amount of trade Receivables
As on 31 st March, 2023	1,116.79	35.53	12.45	21.08	109.72	1,295.57
As on 31 st March, 2022	795.43	31.41	14.09	154.12	226.81	1,221.86

(ii) **Financial instruments and deposits:** Credit risk from balance with banks and financial institutions is managed by the finance department of the company. Credit risk on cash and cash equivalents and bank deposits is generally low as the said deposits have been made with banks having good reputation, good past track record and high quality credit rating and the company also reviews their credit worthiness on an on-going basis. Other financial assets are considered to be of good quality and there is no significant risk.

(b) **Liquidity Risk:** Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset. Due to the nature of the underlying business, the company maintains sufficient cash and liquid investments available to meet its obligation. Management of the company regularly monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The liquidity risk is managed by Company's financial policy, which aims to ensure the availability of sufficient net funds to meet the company's financial commitments with minimal additional cost.

(i) **Financial arrangements:** The company had access to the working capital facilities from the bank amounting Rs. 2,500.00 Lacs (Outstanding balance Rs. 2,405.66 Lacs as at 31st March'2023) which are expiring in one year, subject to the renewal of the same by the banking authorities. A part from the working capital facility, company has also following outstanding financial liabilities :

- (ii) Maturities of financial liabilities : The following tables shows the maturity analysis of the Company's financial liabilities based on the contractually agreed undiscounted cash flows as at the balance sheet date :

(Rs. In Lacs)

Contractual maturities of financial liabilities- 31st March, 2023	Less than 1 year	Above 1 year	Total
Borrowing including Interest Amount	3,074.38	2,794.87	5,869.25
Trade payables	1,889.92	24.18	1,914.09
Other financial liabilities	480.42	777.40	1,257.82
Total financial liabilities	5,444.72	3,596.45	9,041.16

Contractual maturities of financial liabilities- 31st March, 2022	Less than 1 year	Above 1 year	Total
Borrowing including Interest Amount	2,836.94	4,484.07	7,321.01
Trade payables	1,187.49	77.00	1,264.49
Other financial liabilities	480.50	800.89	1,281.39
Total financial liabilities	4,504.93	5,361.96	9,866.89

(c) Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate consequent up on changes in market prices. It mainly comprises of interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will be impacted because of changes in market interest rate. As the company's borrowings except borrowing from market are fixed rate borrowings; they are carried out at amortised cost and are not subject to interest rate risk as defined in Ind AS 107.

The exposure of the company's financial liability to interest rate risk is as follows :

(Rs. In Lacs)

Particulars	31st March' 2023	31st March' 2022
Variable rate (market) borrowing	986.25	1,999.08
Fixed rate borrowings	2,477.35	3,156.08
Total	3,463.60	5,155.16

(49) Ratio Analysis :

S. no.	Particulars	Year ended 31.03.23	Year ended 31.03.22	% of Variance	Reason for Variation
1.	Current Ratio (times) (Current Assets / Current Liabilities)	1.04	1.08	(3.73)	--
2.	Debt- Equity Ratio (times) (Total debt - long term plus short term including current maturity/ Total Equity)	0.71	0.93	(23.16)	--
3.	Debt -Service coverage Ratio (times) (EBITD/ Interest on loan + Long term principal repayment)	1.57	1.32	18.40	--
4.	Net profit margin (%) (PAT / Total Income)	3.30%	(2.44)%	(235.11%)	Exceptional losses incurred during the last year.
5.	Return on Equity Ratio (%) (PAT/ Average shareholder's fund)	6.41%	(4.76)%	(234.74%)	Exceptional losses incurred during the last year.
6.	Return on Capital Employed(%) (EBIT/ Avg, capital employed)	13.45%	11.05%	21.69%	--
7.	Return on Investment (%) (Net Income (PAT)/ Total Assets)	2.83%	(2.14)%	(232.12)%	Exceptional losses incurred during the last year is the reason for high variation in return on investments.
8.	Trade receivable turnover ratio (times) (Net Credit Sales / Avg. Receivables)	13.86	12.93	7.17	--
9.	Inventory turnover Ratio (times) (Revenue from Operations/ Avg. Inventory)	6.12	9.72	(37.07)	High variation is due to pile- up of inventories at year end due to seasonal issues.

10.	Trade payable turnover Ratio (times) (Net Credit purchase / Avg. trade payables)	6.40	6.97	(8.08)	--
11.	Net Capital Turnover ratio (times) (Net Sales / Working Capital)	69.45	41.13	68.85	High variation in Net Capital Turnover ratio is due to company's ability to generate large amount of sales with lower amount of working capital.

50. Other Statutory information :

- i) The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
 - ii) The Company do not have any transactions with companies struck off.
 - iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
 - v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
 - vii) The Company have not any such transaction which is 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961".
 - viii) The Company have not declared willful defaulter by any banks or any other financial institution at any time during the financial year.
- (51) Previous year's figures have been regrouped and/ or re-arranged wherever necessary, to confirm to current year's classification.
- (52) The financial statements are approved by the Audit Committee at its meeting held on 30th May' 2023 and by the Board of Directors on the same date.

In terms of our report of even date

For P.K. Lakhani & Co.,
Chartered Accountants,
Firm Registration No. 014682-N

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
Vice Chairman & Managing
Director

(Santosh Kumar Bajaj)
Director

(CA. Sandeep Gulati)
Partner
M.No. 509230
Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

Independent Auditors' Report

To

The Members of Barak Valley Cements Limited,

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Barak Valley Cements Limited ('hereinafter referred to as the Holding Company')**, and its subsidiary companies (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023, the consolidated profits including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our Report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

S. no.	The Key Audit Matter	Auditor's Responses
1.	<p>Revenue Recognition: Discounts, incentives and rebates.</p> <p>(i) Revenue is measured net of discounts, incentives, rebates etc. given to the customers.</p> <p>(ii) The company's presence across different marketing regions of North eastern states and the competitive business environment makes the assessment of various types of discounts, incentives and rebates complex and judgemental.</p> <p>(iii) There is a risk of revenue being misstated as a result of variations in the assessment of various discount schemes etc. and not properly recognised in accordance with Ind AS -115 'Revenue from contracts with customers'.</p>	<p>Our audit procedure to assess the appropriateness of revenue recognition included :</p> <p>a) Understanding and assessing the design, implementation and operating effectiveness of the key control system regarding the revenue recognition process and its compliance with the Ind AS -115 .</p> <p>b) Assessing and verifying the appropriateness of the company's accounting policies relating to discounts , rebates etc.</p> <p>c) Assessed the company's computation for accrual of discounts, incentives and rebates on a sample basis and compared the accruals with the approved scheme and underlying sales documents.</p> <p>d) Comparison of historical trend of payments and reversal of such discounts etc.</p> <p>e) Assessed the adequacy of relevant disclosures made within the financial statements.</p> <p>Our testing as described above showed that revenue has been properly recorded in accordance with the terms of contract and according to the policy adopted by the company.</p>

Information other than the Consolidated financial statements and Auditors' Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Director's for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/(Loss) including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate implementation and maintenance of accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

Our opinion is not modified in respect of this matter.

- We did not audit the financial statements of all the four subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 5,132.99 Lakhs as well as the total revenue of Rs. 1,794.19 Lakhs and total comprehensive Profit/ (Loss) of Rs. (59.44) lakhs for the year ended March 31, 2023. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph - Auditor's Responsibilities for the Audit of the Statement.

Our opinion on the Consolidated financial Statements and our Report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on other Legal & 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 Section 143 (11) of the Act, we give here below a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable :

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

2. (A) As required by section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated statement of changes in Equity and the Consolidated Cash Flows Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the respective directors of the Holding company and its subsidiary company as on March 31, 2023, and taken on record by the Board of Directors of Holding Company and its subsidiaries, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- (B) 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 , in our opinion and to the best of our information and according to the explanation given to us :
 - (a) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - (b) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary companies during the year ended 31st March, 2023.

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 Holding company or its subsidiaries to or in any other persons or entities, 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 Holding or Subsidiary Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been received by the Holding Company or Subsidiary company from any person(s) or entities, 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;

(iii) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub clause (i) and (ii) of Rule 11 (e) as provided under sub clause (d) (i) and (d) (ii) above, contain any material misstatement.

(e) The Holding Company or Subsidiary Company has not declared / paid any dividend during the year.

(C) 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 :

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its Subsidiary Company to its director's during the year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down under section 197 of the Act.

For P.K. Lakhani & Co.,
Chartered Accountants
Firm Registration No.: 014682-N
(CA. Sandeep Gulati)
Partner
M. No. : 509230
UDIN : 23509230BGSWYR9776

Place: Gurgaon
Date: 30th May' 2023

Annexure - A to the Independent Auditors' Report on the Consolidated Financial Statements of Barak Valley Cements Limited**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****Opinion**

In conjunction with our audit of the Consolidated financial statements of the company as of 31st March, 2023, we have audited the internal financial controls over financial reporting of **Barak Valley Cements Limited** ("the Holding Company") and its subsidiary companies as of that date.

In our opinion, the Holding company and its subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries 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 ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For P.K. Lakhani & Co.,
Chartered Accountants
Firm Registration No.: 014682-N
(CA. Sandeep Gulati)
Partner
M. No. : 509230
UDIN : 23509230BGSWYR9776

Place: Gurgaon
Date: 30th May' 2023

Consolidated Balance Sheet as at 31.03.2023

Particulars		Notes	31-Mar-23	31-Mar-22
(Rs. In Lacs)				
ASSETS				
(1)	Non-current assets			
(a)	Property, Plant and Equipment and Intangible Asset			
	(i) Property, Plant and Equipment	3(a)	13,995.38	14,680.68
	(ii) Intangible assets	3 (b)	0.36	0.36
(b)	Capital work-in-progress	3 (c)	29.02	41.66
(c)	Financial assets :			
	(i) Investments	4	12.55	12.84
	(ii) Other financial assets	5	238.11	391.15
(d)	Deferred tax assets (net)	6	-	73.62
(e)	Other non-current assets	7	677.39	704.37
Total non-current assets			14,952.82	15,904.68
(2)	Current assets			
(a)	Inventories	8	4,026.19	2,451.94
(b)	Financial assets :			
	(i) Trade receivables	9	1,362.57	1,235.27
	(ii) Cash and cash equivalents	10	52.88	269.14
	(iii) Other Bank balances (other than (ii) above)	11	93.68	86.69
	(iv) Loans	12	571.63	586.25
	(v) Other financial assets	13	12.61	22.09
(c)	Other current assets	14	2,255.12	2,481.25
Total current assets			8,374.66	7,132.62
Total assets			23,327.48	23,037.30
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	15	2,216.00	2,216.00
(b)	Other equity	16	9,092.24	8,580.82
Total equity			11,308.24	10,796.82
Liabilities				
(1)	Non-current liabilities			
(a)	Financial liabilities :			
	(i) Borrowings	17	2,749.15	4,427.07
	(ii) Other financial liabilities	18	777.40	800.89
(b)	Employee benefit obligations	19	180.86	155.90
(c)	Deferred tax Liabilities (net)	6	36.62	-
(d)	Other non current liabilities	20	94.20	104.66
Total non-current liabilities			3,838.23	5,488.51
(2)	Current liabilities			
(a)	Financial liabilities :			
	(i) Borrowings	21	3,394.56	3,369.51
	(ii) Trade payables	22		
	(i) Dues of Small Enterprises and Micro Enterprises		190.09	184.39
	(ii) Dues of Creditors other than Small Enterprises and Micro Enterprises		1,951.48	1,235.30
(iii)	Other financial liabilities	23	496.37	497.00
(b)	Employee benefit obligation	24	54.85	45.01
(c)	Other current liabilities	25	2,079.20	1,420.76
(d)	Current tax liabilities (net)	26	14.49	-
Total current liabilities			8,181.01	6,751.97
Total liabilities			12,019.24	12,240.48
Total equity and liabilities			23,327.48	23,037.30

The accompanying notes 1-54 are an integral part of the financial statements
In terms of our report of even date

For P.K. Lakhani & Co.,
Firm Registration No. 014682-N
Chartered Accountants,

For & on behalf of the Board of Directors

(CA. Sandeep Gulati)
Partner
M.No. 509230
Gurgaon, 30th May' 2023

(Kamakhya Chamaria)
Vice Chairman & Managing Director

(Santosh Kumar Bajaj)
Director

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH '2023

(Rs. In Lacs)

Particulars	Notes	31-Mar-23	31-Mar-22
INCOME			
Revenue from operations	27	18,257.54	17,570.35
Other income	28	152.46	250.63
Total revenue		18,410.00	17,820.98
EXPENSES			
Cost of materials consumed	29	3,862.45	5,648.76
Purchase of traded goods		294.05	103.76
(Increase)/decrease in inventories	30	(769.62)	(39.03)
Employee benefit expenses	31	1,706.79	1,703.36
Finance costs	32	936.84	982.65
Depreciation and amortization expenses	33	740.54	562.00
Other expenses	34	10,844.07	8,217.67
Total expenses		17,615.13	17,179.17
Profit before exceptional items and tax		794.88	641.81
Exceptional items		-	759.00
Profit / (Loss) before tax		794.88	(117.19)
Tax expenses	35		
- Current tax		144.25	-
- Reversal of earlier period tax		14.16	-
- Deferred tax		114.36	334.91
Total tax expenses		272.77	334.91
Profit / (Loss) for the year		522.11	(452.09)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
impact of remeasurement of non - current investment		(0.29)	1.08
Re-measurement (losses) on Defined Benefit Plan		(14.52)	(8.97)
Deferred tax on above		(4.12)	(2.19)
Other comprehensive income for the year, net of tax		(10.69)	(5.69)
Total comprehensive income for the year		511.42	(457.79)
Earnings per equity share (Face value of Rs. 10/- each)	36		
Basic earning per share		2.36	(2.04)
Diluted earning per share		2.36	(2.04)

Significant accounting policies and notes on accounts

The accompanying notes 1-54 are an integral part of the financial statements
 In terms of our report of even date

For P.K. Lakhani & Co.,

 Firm Registration No. 014682-N
 Chartered Accountants,

For & on behalf of the Board of Directors
(Kamakhya Chamaria)
 Vice Chairman & Managing
 Director

(Santosh Kumar Bajaj)
 Director

(CA. Sandeep Gulati)

 Partner
 M.No. 509230

Gurgaon, 30th May' 2023
(Rajesh Aggarwal)
 Chief Financial Officer

(Mukesh Kumar Shovasaria)
 Chief Executive Officer

(Ms. Rachna Gambhir)
 Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March' 2023

(Rs. In Lacs)

S.no.	Particulars	31st March' 2023	31st March'2022
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit/ (Loss) before Tax and exceptional items	794.88	641.81
	Adjustment for:		
	Add : Depreciation & Misc. expenditure	740.54	562.00
	Interest & finance charges	936.84	982.65
	Reversal of Earlier Years taxes	(14.16)	-
	Interest on Bank deposits and Others	(106.60)	(57.64)
	Re-measurement (losses) on Defined Benefit Plan	(14.52)	(8.97)
	Operating Profit before working capital changes	2,336.98	2,119.86
	Adjustment for change in :		
	Trade Receivable	(127.30)	304.21
	Inventories	(1,574.25)	(401.15)
	Loans	14.62	(547.53)
	Other Assets	408.64	341.05
	Trade & other payable	746.93	(878.03)
	Other Liabilities and Provisions	707.08	(678.27)
	Cash generated from Operations	2,512.70	260.14
	Direct Taxes Paid	(144.25)	(102.96)
	Prior period adjustments / Exceptional Items	-	(759.00)
	Net Cash Flow from operating activities	2,368.45	(601.82)
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment (including CWIP)	(42.60)	(414.71)
	Interest on Bank deposits and Others	106.60	57.64
	Sales of Property, plant and equipment (Subsidiary companies)	-	6,074.23
	Proceeds for change in control of Subsidiaries/Changes in equity	-	(463.37)
		64.00	5,253.80
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Increase in Long term Bank & Other borrowings	(1,711.87)	(3,584.83)
	Interest and finance charges paid	(936.84)	(982.65)
		(2,648.71)	(4,567.48)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(216.26)	84.50
	Add:- Opening Balance of cash & Cash Equivalents	269.14	184.64
	Cash & Cash Equivalents at the Closing of the year	52.88	269.14

Note : Cash & Cash Equivalents comprises of :	31st March, 2023	31st March, 2022
Cash in hand	35.54	27.42
Cheques in hand		
Balance with banks	17.34	241.71
Total	52.88	269.14

This is the Cash Flow Statement referred to in our report of even date.

For P.K. Lakhani & Co.,
Firm Registration No. 014682-N
Chartered Accountants,

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
Vice Chairman & Managing
Director

(Santosh Kumar Bajaj)
Director

(CA. Sandeep Gulati)
Partner
M.No. 509230
Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March' 2023
A. Equity Share Capital
(Rs. In Lacs)

Particulars	Notes	31-Mar-23	31-Mar-22
Balance at the beginning of the year	15	2,216.00	2,216.00
Changes in equity share capital during the year		-	-
Balance at the end of the year		2,216.00	2,216.00

B. Other Equity (Refer Note : 16)

Particulars	Reserve and Surplus					Total Other equity
	Securities Premium	Capital Reserve	General Reserve	Consolidated Reserve/ (Goodwill)	Retained Earnings	
Balance as at 01st April, 2021	1,514.40	38.19	433.02	(270.96)	7,787.33	9,501.97
Profit/ (Loss) for the year	-	-	-	-	(452.09)	(452.09)
Adjustment / Additions/ (deductions) during the year	-	(38.19)	-	149.45	(574.63)	(463.37)
Other comprehensive income/ (Loss) net of tax	-	-	-	-	(5.69)	(5.69)
Balance as at 31st March, 2022	1,514.40	(0.00)	433.02	(121.51)	6,754.92	8,580.82
Profit/ (Loss) for the year	-	-	-	-	522.11	522.11
Adjustment / Additions/ (deductions) during the year	-	-	-	-	-	-
Other comprehensive income/ (Loss) net of tax	-	-	-	-	(10.69)	(10.69)
Balanc as at 31st March, 2023	1,514.40	-	433.02	(121.51)	7,266.34	9,092.24

The accompanying notes 1-54 are an integral part of the financial statements

In terms of our report of even date

For P.K. Lakhani & Co.,

Firm Registration No. 014682-N

Chartered Accountants,

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
 Vice Chairman & Managing
 Director

(Santosh Kumar Bajaj)
 Director

(CA. Sandeep Gulati)

Partner

M.No. 509230

Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
 Chief Financial Officer

(Mukesh Kumar Shovasaria)
 Chief Executive Officer

(Ms. Rachna Gambhir)
 Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31st March, 2023**COMPANY OVERVIEW**

Barak Valley Cements Limited (the company) is a public limited company having its Registered office address at Debendra Nagar, Jhoom Basti, PO Badarpurghat, Distt Karimganj, Assam-788803. The company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The company's principal business is manufacturing and selling of Cement. The company caters mainly to the domestic market of north eastern states of India. Barak Valley Cements Ltd. (the "Company") and its subsidiaries collectively referred to as the "Group".

1. Principles of consolidation and equity accounting**a) Subsidiaries**

Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associates are accounted for using the equity method, after initially being recognised at cost.

c) Equity method

Under the equity method, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee. Dividends from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of other entity.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of Preparation:****(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Employee's defined benefit plans – as per actuarial valuation
- Certain financial assets & Liabilities that are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement dates under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated..

2.2 Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle of twelve months and other criteria set out in the Schedule - III to the Companies Act, 2013. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.3 Property, plant and equipment:

All items of Property, plant and equipment (PPE) are stated at their historical cost of acquisition, installation or construction (net of any recoverable amount, if any) less accumulated depreciation, amortization and impairment losses, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditure are included in the asset's carrying amount or recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

2.4 Capital Work In Progress :

Property, plant and equipment (PPE) which are not ready for their intended use as at the close of the reporting period are classified as 'Capital work in progress' and carried at cost and includes any directly attributable cost incurred during construction period. Such items are classified to the appropriate category of property, plant and equipment only after their completion and ready for their intended use. Depreciation of these assets commences when the assets are substantially ready for their intended use.

2.5 Expenditure during construction period:

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing costs, prior to commencement of commercial production/ completion of project are capitalized.

2.6 Depreciation:

Depreciation on Property, plant and equipment is provided on Written down Value (WDV) Method except in case of subsidiary "Badarpur Energy Private Limited", where depreciation is provided on Straight Line Method (SLM) in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C' thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

2.7 Intangible Assets and Amortisation :

An Intangible asset is recognized when it has finite useful life and it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. The Group amortises intangible assets with finite useful life using straight line method. Expenditure on purchased / developed software and IT related expenditure are written off over a period of three years.

2.8 Financial Instruments:

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

(A) Financial Assets :**i) Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of cash flows. For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit or loss or other comprehensive income. For investment in debt instruments, this will depend on the business model in which the investment is held.

ii) Measurement

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments (except subsidiary, associate and joint venture, which are carried at cost) at fair value through other comprehensive income.

iii) Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through consolidated statement of profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. 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 is recognized as an impairment gain or loss in consolidated statement of profit and loss. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the Group uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognized in the consolidated statement of profit and loss.

iv) De-recognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

v) Trade Receivables

Trade receivables are recognized initially at transaction price. Later on any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognised shall be accounted for as an expense. Subsequently receivables are measured at amortized cost using the effective interest method, less provision for impairment if any.

(B) Financial liabilities:

i) Classification

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through statement of profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through consolidated statement of profit and loss.

iii) De-recognition:

A financial liability is derecognised 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 recognised in the consolidated statement of profit and loss.

iv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to any other party and the consideration paid, is recognized in profit or loss as finance cost or other income. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for 12 months after the reporting period.

v) Trade payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

2.9 Inventories:

Raw Materials, stores and spares, fuel and packing material are valued at lower of cost and net realizable value. Cost is determined on weighted average basis and includes purchase price, other cost incurred in bringing the inventories to their present location and condition and taxes for which credit is not available. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress, traded goods and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of Inventories is computed on weighted average basis.

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

2.10 Revenue Recognition:

Revenue from sale of goods is recognized when effective control of the goods or services or products along with significant risks and rewards of ownership are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods. The sales are accounted when the products are dispatched to the customers. Delivery occurs when the products has been dispatched to the specified location and the risk of the loss etc. has been transferred and there is no unfulfilled obligation that could affect buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of consideration due to sale of goods.

Revenue is recognised based on the price specified in the contract, net of estimated volume and other rebates and discounts. Past experience is used to estimate and provide for the discounts, using the expected value method and revenue is only recognised to the extent that it is highly probable that reversal will not occur. A contract liability is recognised for expected volume discounts payable to the customers in relation to the sales made till the end of the reporting period.

Revenue is exclusive of goods and service tax and net of quantity discounts, cash discounts, rebates and sales returns. A receivable is recognised when the goods are dispatched to the customers in the normal course of business.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the

amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.11 Impairment of non – financial assets:

Property, plant and equipment, intangible assets and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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 (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the consolidated statement of profit or loss.

An impairment loss is reversed in the consolidated 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. Impairment losses on continuing operations, including impairment on inventories are recognized in the consolidated statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

2.12 Government Grants and Subsidies :

Government grants and subsidies are recognized at fair value when there is reasonable certainty that the same would be received and the Group would comply with all the conditions attached with them. Revenue grants in the nature of recoupment or reimbursement of any particular items of expenses are recognized on a systematic basis in the statement of profit and loss as deduction / adjustment from related item of expenditure. Capital grants related to assets which are recognized in the Balance Sheet as deferred income, are recognized in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related assets by netting off with the related expenses.

2.13 Employee Benefits:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefit obligations

Accumulated compensated absences, which are expected to be availed or en-cash beyond 12 months from the end of the period are treated as other long term employee benefits for measurement purpose. The Group's liability is determined by an independent actuary using the Projected Unit Credit method at the end of each period. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(iii) Defined Contribution Plan

Employees benefits in the form of provident fund and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due.

(iv) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

2.14 Tax Expenses:

Income tax expense or credit represents the sum of the current tax and deferred tax.

Current and deferred tax is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items recognised in 'Other comprehensive income' or directly in equity.

Current tax :

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax:

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Consolidated balance sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the consolidated balance sheet, if and only when, (a) the Group currently has a legally enforceable right to set off the current income tax assets and liabilities, and (b) when the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as an asset if it is probable that MAT credit can be used in future years to reduce the regular tax liability. The carrying amount of deferred tax assets and MAT credit is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.15 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale and borrowing costs are being incurred. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

2.16 Provisions and Contingencies :

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses. Provisions are determined based on management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expenses.

Liabilities which are material in nature and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are not recognised in the consolidated financial statements.

2.17 Cash and Cash Equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash in hand, cash at bank and demand deposits with banks and other short term highly liquid investments /deposits with an original maturity period of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

2.18 Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to owners of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to owners of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Leases :

Ind- AS 116 Leases sets out principles for recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short term leases and low value items, under a single on- balance sheet lease accounting model. A lessee recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivable at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight line basis over the lease term, unless the receipt from lessee is structured to increase in line with general inflation and compensate for the lessor's expected cost increase.

2.20 Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the Consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.21 Segment reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief executive officer (CEO) and Managing director (MD) of the Company has been identified as CODM who regularly monitors and reviews the operating results and the financial position of the Company, and makes strategic decisions.

2.22 Dividends :

Dividends paid / payable shall be recognised in the year in which the related dividends are approved by Shareholders or the Board of Directors as appropriate. The amount is recognised directly in equity.

2.23 Recent pronouncements :

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

Ind AS 1 – Material accounting policies

The amendments mainly related to shifting of disclosure of erstwhile 'significant accounting policies' in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policy to make them more entity specific. This amendment align with the 'material' concept already required under International Financial Reporting standards (IFRS).

Ind AS 8 – Definition of accounting estimates

The amendments specify definition of 'change in accounting estimate' replace with the definition of 'accounting estimates'.

Ind AS 12 – Income taxes- Annual improvement to Ind AS (2021)

The amendments clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, if a company has not yet recognised deferred tax assets and deferred tax liability on right of use assets and lease liabilities or has recognised deferred tax assets / liabilities on net basis, that company shall have to recognise deferred tax assets / liabilities on gross basis bases on the carrying amount of assets and liabilities.

The company does not expect aforesaid amendments to have significant impact on the financial statements.

Notes to Consolidated financial statements for the year ended 31st March 2023
Note : 3 Property, Plant and Equipment and Intangible Assets

Particulars	(a). Property, plant and Equipment										(b). Intangible Assets		Total (A+B)	
	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)	Computer Software (Bought out)	Total (B)			
Gross Block (At Cost)														
As at 01.04.2021	13,716.43	2,508.63	445.27	13,754.80	107.13	305.02	114.65	90.74	31,042.68	70.37	70.37	31,113.05		
Additions	6.12	365.72	4.61	2,295.13	21.11	9.30	6.64	11.86	2,720.48	-	-	2,720.48		
Disposals	5,751.21	578.75	248.71	494.88	7.24	20.73	6.47	4.58	7,112.55	0.20	0.20	7,112.75		
At 31st March, 2022	7,971.34	2,295.61	201.17	15,555.05	121.01	293.59	114.83	98.02	26,650.61	70.17	70.17	26,720.78		
Additions	2.79	14.33	-	22.41	2.04	9.90	1.97	2.75	56.18	e-	-	56.18		
Disposals														
At 31st March, 2023	7,974.13	2,309.93	201.17	15,577.46	123.04	303.49	116.80	100.76	26,706.79	70.17	70.17	26,776.96		
Accumulated Depreciation														
As at 01.04.2021	-	1,767.37	349.96	9,803.99	91.54	241.54	104.86	85.57	12,444.81	70.01	70.01	12,514.82		
charge for the year	-	58.43	6.57	470.24	5.33	14.58	3.16	4.70	563.02	-	-	563.02		
Disposals/deductions/adjustment	-	424.58	219.78	366.86	6.79	10.55	5.80	3.54	1,037.90	0.20	0.20	1,038.10		
As at 31.03.2022	-	1,401.22	136.75	9,907.36	90.08	245.57	102.22	86.73	11,969.93	69.81	69.81	12,039.74		
charge for the year	-	83.00	5.97	620.67	7.27	12.70	3.79	8.08	741.48	-	-	741.48		
Disposals/deductions/adjustment	-													
As at 31.03.2023	-	1,484.22	142.72	10,528.03	97.35	258.28	106.01	94.81	12,711.41	69.81	69.81	12,781.23		
Net Block:														
As at 31st March, 2022	7,971.34	894.39	64.41	5,647.69	30.93	48.02	12.61	11.29	14,680.68	0.36	0.36	14,681.04		
As at 31st March, 2023	7,974.13	825.71	58.44	5,049.43	25.70	45.21	10.79	5.96	13,995.38	0.36	0.36	13,995.74		

Notes : (i) Accumulated Depreciation of one subsidiary company amounting Rs. 0.94 Lacs (previous year : Rs. 1.02 Lacs) has been charged to CWIP.

(ii) All immovable properties are held in the name of the related companies.

Notes to Consolidated financial statements [Contd.]

(Rs. In Lacs)

Note: 3 (c) Capital Work in Progress (CWIP)	Amount
As at 01.04.2021	2,346.01
Additions	
Expenditure made during the year	194.67
Capitalised during the year	(2,499.01)
As at 31.03.2022	41.66
Expenditure made during the year	4.66
Capitalised during the year	(17.30)
As at 31.03.2023	29.02

CWIP Ageing Schedule :

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Project in Progress :	-	-	-	-	-
Projects temporarily suspended *	3.95	1.81	0.95	29.02	35.74
Total	3.95	1.81	0.95	29.02	35.74
As at 31.03.2022					
Project in Progress :	16.03	-	-	-	16.03
Projects temporarily suspended *	0.57	1.81	0.61	22.64	25.63
Total	16.60	1.81	0.61	22.64	41.66

Pre-operative expenditure included in CWIP	Amount	Amount
Brought forward as part of CWIP as at 01.04.2021		49.94
Add: Expenditure made during the year		
(i) Employee benefit expenses	13.56	
(ii) Depreciation and amortisation	-	
(iii) Misc. admn. Expenses	5.47	19.03
Total		68.97
Less : Capitalised during the year		(43.34)
As at 31.03.2022		25.63
Add: Expenditure made during the year		
(i) Employee benefit expenses	-	
(ii) Misc. admn. Expenses	3.39	3.39
Total		29.02
Less : Capitalised during the year		-
As at 31.03.2023		29.02

Note : *As the cement manufacturing project of one of the subsidiary company is yet to be commenced and is temporarily suspended for the time being, all pre-operative administration expenses of the company are included in CWIP.

(Rs. In Lacs)

Note: 4 - Investments	31-Mar-23	31-Mar-22
Investment in Others (Unquoted) - non current :		
Investments in unquoted equity instruments at FVTPL		
North East Power & Infra Limited	12.55	12.84
1,80,000 (1,80,000 as at 31.03.22) Equity Share of Rs 10 each fully paid up.		
Total	12.55	12.84
Total non - current investments		
Aggregate amount of Quoted investment	-	-
Aggregate amount of Unquoted investments	12.55	12.84
	12.55	12.84

Note: 5 Other financial assets - Non Current	31-Mar-23	31-Mar-22
Security deposits		
Unsecured, considered good	238.11	391.15
	238.11	391.15

Note: 6 - Deferred tax (liability) (net)	31-Mar-23	31-Mar-22
Deferred Tax Assets		
- MAT Credit entitlement / Disallowances of Expenses	360.13	409.35
- Impact of difference between tax depreciation and depreciation charged	5.87	6.75
- Staff Leave encashment and gratuity	9.53	9.00
- Tax effect of Other Comprehensive Income	11.79	7.68
	387.32	432.77
Deferred Tax liability		
- Impact of difference between tax depreciation and depreciation charged	424.08	359.09
- Staff Leave encashment and gratuity	(0.14)	0.05
	423.94	359.14
Net deferred tax (liability)/ assets	(36.62)	73.62

Note: 7 - Other non-current assets	31-Mar-23	31-Mar-22
Unsecured, Considered Good		
Capital advances	677.39	704.37
	677.39	704.37

Note: 8 - Inventories	31-Mar-23	31-Mar-22
Raw Materials and components	640.15	150.68
Work - In - Progress	944.21	181.30
Finished Goods	379.32	371.17
Packing Material	78.18	66.42
Stores & Spares parts	1,984.33	1,682.35
	4,026.19	2,451.94

Note: 9 - Trade receivables	31-Mar-23	31-Mar-22
Secured Considered Good	306.10	232.10
Unsecured	1,056.46	1,003.17
Total Trade receivables	1,362.57	1,235.27

Note : 9 contd.. (Trade Receivables - Ageing Schedule)

(Rs. In Lacs)

Particulars	Amount Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	
As at March 31, 2023						
Undisputed Trade Receivables :						
(i) Considered good	1,173.98	45.34	12.45	2.95	48.46	1,283.18
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables :						
(i) Considered good	-	-	-	18.13	61.26	79.39
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
As at March 31, 2022						
Undisputed Trade Receivables :						
(i) Considered good	807.54	32.01	14.09	65.10	22.73	941.47
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables :						
(i) Considered good	-	-	-	89.72	204.08	293.80
(iii) Credit impaired	-	-	-	-	-	-

Note: 10 - Cash and cash equivalents	31-Mar-23	31-Mar-22
Cash in hand	35.54	27.42
Balance with Banks - In current accounts	17.34	241.71
	52.88	269.14

Note: 11 - Other - Bank balances other than above	31-Mar-23	31-Mar-22
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months *	93.68	86.69
	93.68	86.69

Note: 12 - Loans	31-Mar-23	31-Mar-22
Loans and advances (Unsecured, Considered Good)	571.63	586.25
	571.63	586.25

Note: 13 - Other financial assets	31-Mar-23	31-Mar-22
-Advances to employees	12.61	22.09
	12.61	22.09

Note: 14 - Other current assets	31-Mar-23	31-Mar-22
Unsecured, considered good		
-Advances to suppliers	595.42	872.03
-Balances with statutory/government authorities	695.95	506.92
-Advances for services & expenses	956.51	993.68
-Others	3.49	3.49
-Advance income tax (net of tax provision)	3.76	105.13
	2,255.12	2,481.25

Note: 15 - Equity share capital	31-Mar-23	31-Mar-22
Authorised Capital {2,50,00,000 Equity Shares (2,50,00,000 as at 31.03.2022) of Rs. 10/- each}	2,500.00	2,500.00
Issued, Subscribed, Called & fully Paid -up shares {2,21,60,000 Equity Shares (2,21,60,000 as at 31.03.2022) of Rs. 10/- each, fully paid up.}	2,216.00	2,216.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	No. of Shares	No. of Shares
At the beginning of the year	22,160,000	22,160,000
Issued during the year	-	-
Outstanding at the end of the year	<u>22,160,000</u>	<u>22,160,000</u>

(b) Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10.00 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 the 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.

(c) Details of Shareholders holding more than 5% shares in the company

Name of the Shareholders	No. of Shares/ % of holding	No. of Shares/ % of holding
Mrs. Bina Garodia	2,159,800 9.75%	2,159,800 9.75%
Sh. Prahlad Rai Chamaria	2,023,800 9.13%	2,023,800 9.13%
Sh. Santosh Kumar Bajaj	1,884,500 8.50%	1,884,500 8.50%
Sh. Mahendra Kumar Agarwal	1,455,613 6.57%	1,475,780 6.66%

(d) There are no shares bought back or allotted either as fully paid up by way of bonus shares or allotted under any contract without payment received in cash during 5 years immediately preceding March 31, 2023.

Note - 16 Other Equity	31-Mar-23	31-Mar-22
Securities Premium Account		
Opening Balance	1,514.40	1,514.40
Addition/(deduction) during the year	-	-
	1,514.40	1,514.40
Capital Reverse Account		
Opening Balance	-	38.19
Addition/(deduction) during the year	-	(38.19)
	-	-
General Reserve		
Opening Balance	433.02	433.02
Addition/(deduction) during the year	-	-
	433.02	433.02
Consolidated Reserve / (Goodwill)		
Opening Balance	(121.51)	(270.96)
Addition/(deduction) during the year	-	149.45
	(121.51)	(121.51)
Retained Earnings		
Opening Balance	6,754.92	7,787.33
Adjustment of earlier period reserves (subsidiary companies)	-	(574.63)
Profit / (Loss) for the year	522.11	(452.09)
Add: Other comprehensive income/ (Loss) (net of taxes)	(10.69)	(5.69)
Total Retained earnings	7,266.34	6,754.92
Total Other Equity	9,092.24	8,580.82

Nature and purpose of reserves :

- (i) Securities Premium : At the time of Initial Public Offer, the excess of issue price of shares over the face value of shares issued, minus expenditure incurred on issuance of shares is treated as Securities Premium.
- (ii) Capital Reserve : During takeover, of other companies, the excess of consideration paid over Net assets taken is treated as capital reserve.
- (iii) General Reserve : The company had transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956.
- (iv) Retained Earnings : Retained Earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the the shareholders of the company.
- (v) The company has not declared or paid any dividend during the year.

Note: 17 - Borrowings	31-Mar-23	31-Mar-22
<u>Term loans (secured)</u>		
Working Capital Term loan from Banks (GECL Scheme)	780.20	981.27
Rupee loans from a financial institution [Refer note (i) below]	1,615.37	1,916.04
Rupee loan from body corporates [Refer note (ii) below]	396.04	894.93
	-	-
Loans from related parties (unsecured) (Refer note (iii) below)	533.07	1,001.46
	-	-
<u>Other loans (secured)</u>		
- Hire purchase finance from banks ([Refer note (iv) below)	127.48	338.74
	3,452.15	5,132.43
Less: Current maturities of long term borrowings	(702.99)	(705.37)
	2,749.15	4,427.07

- (i) WCTL Loan of Rs. 780.20 Lakhs (Rs. 981.27 Lakhs as at 31.03.2022) under GECL Scheme is secured by way of Second charge on all the current assets of the parent and one subsidiary company, which were extended for taking existing credit facility of Rs. 2,800.00 Lakhs.

- (ii) Rupee Term Loans (RTL) of Rs. 1,615.37 lakhs (Last year : Rs. 1,916.04 lakhs) is consisting of two loans (i) Rs. 215.36 Lakhs (sanctioned amount Rs. 800.00 Lakhs) from a financial institution which is repayable from April' 2018 in quarterly installments of Rs. 30.77 lakhs till Sept' 2024 and (ii) Rs. 1,400.01 Lakhs (sanctioned amount Rs. 1600.00 Lakhs) from a financial institution which is repayable from August' 2022 in monthly installment of Rs. 22.22 lakhs till July' 2028. The loan is secured by first charge on land, building including civil structure of the company's assets and extension of first charge on plant and machinery, fixed and immovable assets of the company on pari -passu basis with IDBI Bank. The loans has also been guaranteed by personal guarantees of some of the Directors of the Company.
- (iii) Loans from Other parties are unsecured in nature and due for repayment after 12 months as on the reporting date. The company does not have any existing default as at the date of balance sheet. Term Loans from related parties are long term in nature.
- (iv) Hire Purchase Finance is secured by hypothecation of vehicles / equipments and is repayable within one to three years having varying date of payment.
- (v) Term Loan raised during the year have been used for the same purpose for it was drawn.

Note: 18 Other financial liabilities	31-Mar-23	31-Mar-22
-Security Deposit	456.80	504.12
-Trade Payable for Capital Goods	320.60	296.77
	777.40	800.89

Note: 19 - Employee benefit obligations	31-Mar-23	31-Mar-22
Provisions for employee benefits		
- Leave encashment	42.32	35.89
- Gratuity	138.54	120.01
	180.86	155.90

Note: 20 Other non current liabilities	31-Mar-23	31-Mar-22
- Deffered Government Grant Income	94.20	104.66
	94.20	104.66

Note: 21 - Borrowings	31-Mar-23	31-Mar-22
<i>Secured</i>		
Working capital facilities from banks		
- Cash credit limits	2,691.56	2,664.14
Current maturities of long term borrowings	702.99	705.37
	3,394.56	3,369.51

(a) Working Capital facilities of Rs. 2,691.56 lacs (Last year : Rs. 2,664.14 Lacs) from banks (sanctioned amount : Rs. 2,800.00 Lacs) are secured by first charge on current assets of the company and first charge on the fixed assets of the company pari-passu basis with NEDFi, both present and future including mortgage of immovable assets. Working Capital facilities from banks have also been guaranteed by some of the Directors of the company.

Note: 22 - Trade Payables	31-Mar-23	31-Mar-22
(a) Outstanding dues of Micro and Small Enterprises (Refer note 40)	190.09	184.39
(b) Others	1,951.48	1,235.30
Total trade payables	2,141.56	1,419.68

Note : 22 contd. (Trade payables ageing Schedule :)

(Rs. In Lacs)

Particulars	Amount Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2-3 years	More than 3 years	
As at March 31, 203					
Undisputed Dues :					
(i) MSME	190.06	0.02	-	-	190.09
(ii) Others	1,862.42	27.29	4.28	57.49	1,951.48
Disputed Dues :					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	2,052.48	27.31	4.28	57.49	2,141.56
As at March 31, 2022					
Undisputed Dues :					
(i) MSME	184.07	0.32	-	-	184.39
(ii) Others	1,091.53	27.69	4.93	111.15	1,235.30
Disputed Dues :					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
Total	1,275.60	28.01	4.93	111.15	1,419.68

Note: 23 - Other financial liabilities	31-Mar-23	31-Mar-22
Interest accrued but not due on borrowings	16.92	41.36
Other payables :		
-Selling and other expenses payable	88.48	126.73
-Salaries, Wages and Other Benefits to Staff Payable	90.96	98.08
-Other liabilities	300.01	230.82
	496.37	497.00

Note: 24 - Employee benefit obligation	31-Mar-23	31-Mar-22
Provisions for employee benefits :		
-Leave encashment	16.52	14.93
-Gratuity	38.33	30.08
	54.85	45.01

Note: 25 - Other current liabilities	31-Mar-23	31-Mar-22
Deferred government grant	9.32	9.32
Other payables		
-Statutory liabilities	1,882.15	1,238.63
-Staff Credit	24.16	26.62
-Other Liabilities	4.27	4.39
Advances from customer	159.30	141.80
	2,079.20	1,420.76

Note: 26 - Current tax liabilities (net)	31-Mar-23	31-Mar-22
Provision for taxation (net of advance income tax)	14.49	-
	14.49	-

(Rs. In Lacs)

Note: 27 - Revenue from operations	31-Mar-23	31-Mar-22
Sale of products		
Domestic Sale	18,046.99	17,281.56
Other operating income		
Others	210.55	288.78
Revenue from operation	18,257.54	17,570.35

Note: 28- Other income	31-Mar-23	31-Mar-22
Interest income on:-		
-Bank deposits & other advances	79.47	31.37
-Other Interest Income	27.12	26.27
-Interest on I.tax refund	0.01	-
-Amortisation of deferred income	10.47	10.47
-Other Non Operating income	35.39	182.53
	152.46	250.63

Note: 29 - Cost of materials consumed	31-Mar-23	31-Mar-22
Inventory at the beginning of the year	217.11	389.72
Add: Purchases	4,363.67	5,476.14
	4,580.78	5,865.86
Less :Inventory at the end of the year	718.33	217.11
Cost of Materials Consumed	3,862.45	5,648.76

Note: 30 - (Increase)/decrease in inventories	31-Mar-23	31-Mar-22
Inventories at the end of the year		
Work -in -Progress	944.21	181.30
Finished Goods	378.56	371.85
	1,322.77	553.15
Inventories at the beginning of the year		
Work -in -Progress	181.30	142.78
Finished Goods	371.85	371.34
	553.15	514.12
(Increase) /Decrease in inventories	(769.62)	(39.03)

Note: 31 - Employee benefit expenses	31-Mar-23	31-Mar-22
Salaries, Wages & other manpower expenses	1,608.01	1,580.56
Contribution to Provident and other funds	58.21	58.11
Gratuity Expenses	12.90	23.95
Staff welfare expenses	27.67	40.75
	1,706.79	1,703.36

Note: 32 - Finance costs	31-Mar-23	31-Mar-22
Interest expense		
-On Term loans	291.02	277.88
-On Working Capital	403.07	422.63
Other finance costs	242.76	282.15
	936.84	982.65

Note: 33 - Depreciation and amortization expenses	31-Mar-23	31-Mar-22
Deprecation on tangible Assets	740.54	562.00
	740.54	562.00

Note: 34 - Other expenses	31-Mar-23	31-Mar-22
		(Rs. In Lacs)
Consumption of Stores & Spare parts	864.28	672.95
Power & Fuel	6,919.49	5,059.85
Rent	63.13	55.60
<u>Repairs & Maintenance</u>		
- Building	44.81	50.36
- Plant & Machinery	182.63	136.42
- Others	59.20	46.72
Vehicle running, maintenance & hire charges	36.03	15.77
Equipment running, maintenance & hire charges	67.47	63.52
Printing, Stationery & Computer expenses	18.24	19.39
Material Handling & Freight Charges	170.89	122.62
Royalty & Other Govt. levies	179.16	205.02
Travelling and Conveyance	58.92	53.09
Insurance Expenses	40.81	31.33
Rates & Taxes	7.13	8.22
Research & Development Expenses	25.30	-
Auditor's Remuneration	4.75	4.25
Sundry advances written off	100.01	7.90
Director's Remuneration	46.23	48.00
Charity & Donation	40.02	32.04
Miscellaneous Expenses	318.05	217.61
Professional fees & Consultancy Expenses	1.97	6.10
Security Service Expenses	24.23	30.32
Outward transportation cost	1,253.35	1,171.45
Advertisement, Publicity & Sales Promotion Expenses	311.82	147.94
Telephone expenses	6.15	11.20
	10,844.07	8,217.67

(35) Tax Expenses :

(Rs. In Lacs)

S. no.	Particulars	2022-23	2021-22
(a)	<u>Current Tax:</u> Current tax on profits for the year.	144.25	--
(b)	Reversal of earlier period taxes	14.16	--
(c)	Deferred tax	114.36	334.91
	Total Tax Expenses	272.77	334.91

Provision for tax amounting Rs. 144.25 lacs has been made as per MAT provisions of the Income -tax Act, 1961.

(36) Earnings per share:

Earnings Per Share (EPS) for the year ended 31st March' 2023 is calculated as under:

(Rs. In Lacs)

		2022-2023	2021 - 2022
(a)	Net Profit / (Loss) attributable to Equity Shareholders of the company (In Lac Rs.)	522.11	(452.09)
(b)	The weighted average number of Ordinary Share outstanding for Basic / Diluted EPS (In No.'s)	2,21,60,000	2,21,60,000

		2022-2023	2021 - 2022
(c)	Face value per Ordinary Share.(In Rs.)	10.00	10.00
(d)	Earnings Per Share - Basic & Diluted (In Rs.)	2.36	(2.04)

(37) **Capital Commitments**

The estimated amount of Contracts remaining to be executed on Capital Account and other capital commitment not provided for amounts to Rs. - Nil - (Rs. 32.40 Lacs as at 31.03.2022)

(38) **Contingent liabilities not provided for:**

- (a) Corporate Guarantee's given to Financial Institutions/ Banks on behalf of wholly owned subsidiaries: Rs. 300.00 Lacs (Rs. 400.00 Lacs as at 31st March' 2022)
- (b) Claims against the company not acknowledged as debts: Disputed demands of Entry – tax / Revenue/ other matters pending before the Appellate Authorities: Rs. 739.09 Lacs (Rs. 739.09 Lacs as at 31st March' 2022).
- (c) Fixed Deposit Receipts pledged with the banks / others: Rs. 122.21 Lacs (Rs. 108.82 Lacs as at 31st March' 2022)

(39) Payment made to Auditor's during the year ended is as under: -

(Rs. in Lacs)

Particulars	31st March' 2023	31st March' 2022
a. Statutory Audit fees	4.06	3.56
b. Tax - Audit fees	0.50	0.50
c. Company Law and other matters	0.25	0.25
Total	4.81	4.31

Audit fee of one subsidiary company amounting Rs. 0.06 lacs has been transferred to Pre - operative Expenses.

(40) The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Based on the information/ documents available with the respective company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(Rs. in Lacs)

Particulars	31st March, 2023	31st March, 2022
(I) -Principal amount due to suppliers registered under MSMED Act and remaining unpaid at the end of the year	190.09	184.39
-Interest due on above	--	--
Total amount outstanding	--	--
(ii) The amount of Principal/ interest paid by the company in terms of Section 16	--	--
(iii) The amount of interest due and payable for the period of delay	--	--
(iv) The amount of interest accrued and remaining unpaid	--	--
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	--	--

There is no principal and interest overdue to Micro and Small enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the group entities and the same has relied upon by the auditors.

(41) Assets pledged as Security: The carrying amount of assets pledged as security for borrowings of Group are as under:

(Rs. In Lacs)

Particulars	31 st March, 2023	31 st March, 2022
(I) First charge on Current Assets :		
(i) Inventory	4,019.95	2,448.95
(ii) Trade Receivable	1,362.57	1,235.27
(iii) Cash and cash equivalents	36.86	248.66
(iv) Other bank balances	93.68	86.69
(v) Loans/ other financial assets	577.84	601.94
(vi) Other current assets	2,206.58	2,427.53
Total Current assets	8,297.48	7,049.04
(II) First charge on Non – Current Assets :		
(i) Property, plant and equipments	12,018.18	12,741.72
Total Non -Current assets	12,018.18	12,741.72
Total Assets pledged as security	20,315.66	19,790.76

(42) Employees benefit obligations:

a) Defined contribution plans:

The Group makes contribution towards employees' provident fund and labour welfare fund schemes. Under these schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of these schemes, to these defined contribution schemes. During the year, the Company recognised Rs. 58.21 Lacs (Rs. 58.11 Lacs as at 31st March, 2022) as expense towards contribution to these plans and included in "Employee benefit expenses" in Note 31 to the financial statements.

b) Defined benefit plans:

(i) Leave encashment:

Under leave encashment scheme, the group allows its employees to en-cash accumulated leave over and above thirty days at any time during the year. So, accumulated leave encashment liability for up to 30 days period is classified as non-current liability and over the period of 30 days is covered under current liability. Earned Leave liability at year end are as follows :

(Rs. in Lacs)

		31st March' 2023	31st March' 2022
A	Current Liability (Amount Due within one year)	16.52	14.93
B	Non-Current Liability (Amount Due over one year)	42.32	35.89
	Total amount of Leave Encashment	58.84	50.82

(ii) Gratuity:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death or termination of employment as per the Company's policy. The gratuity payable to employees is based on the employee's tenure of service and last drawn salary at the time of leaving the services of the company. The gratuity benefits are payable after five years of continuous service by the employee and are valued in accordance with the Payment of Gratuity Act, 1972.

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

Amount recognised in Statement of Profit and Loss

(Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Service Cost	11.93	9.64
Net Interest expenses/ (income)	9.93	8.20
Re- assessment of transfer obligations	5.55	6.11
Re-measurement loss on defined benefit plan	(14.51)	--
Total amount recognised in Statement of Profit and Loss	12.90	23.95

Amount recognised in Other Comprehensive Income

(Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(Gain)/ Loss from change in financial assumption	(2.33)	(4.41)
(Gain) / Loss on arising from Experience adjustment	16.85	13.38
(Gain)/ Loss on arising from change in demographic assumption	--	--
Total amount of (Gain)/ Loss recognized in Other Comprehensive Income	14.52	8.97

(Rs. In Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligations :		
Balance at the beginning of the year	150.09	125.05
Current Service Cost	11.93	9.64
Net Interest expenses/ (income)	9.93	8.20
Re- assessment of transfer obligations	5.55	6.11
Re-measurement due to :		
(Gain)/ Loss from change in financial assumption	(2.33)	(4.41)
(Gain) / Loss on arising from Experience adjustment	16.85	13.38
Benefits paid / adjusted loss	(15.15)	(7.88)
Balance at the close of the year	176.87	150.09
Fair Value of plan assets	16.64	--
Unfunded Liability	160.23	150.09
	31.03.2023	31.03.2022
A Current Liability (Amount Due within one year)	38.33	30.08
B Non-Current Liability (Amount Due over one year)	138.54	120.01
Total Gratuity liability amount	176.87	150.09

The significant actuarial assumptions were as follows:

Particulars	31st March' 2023	31st March' 2022
Discount Rate	7.37 %	7.16 %
Salary Escalation	5.00 %	5.00 %
Withdrawal Rate (depending on age)	2% to 5%	2% to 5%
Retirement Age	58	58
Mortality Rate	IALM (2012-2014) table	IALM (2012-2014) table

Sensitivity analysis of the defined benefit obligations are here as under :

(Rs. in Lacs)

Particulars	Impact on Defined Benefit obligations			
	Increase in assumption by 0.5%		Decrease in assumption by 0.5%	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change due to Discount rate	(5.33)	(4.52)	5.66	4.81
Change due to Salary growth rate	5.76	4.89	(5.47)	(4.63)

(iii) Risk Exposure:

Through its defined benefit plans the Company is exposed to a number of risks, significant of which are as follows:

- Investment risk:** If the plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Life Expectancy:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

- (d) **Salary growth risk** : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability. Any variation in salary increase rate assumption in future valuations will also increase the liability.

(43) - Financial instruments by category

(Rs. in Lacs)

Particulars	31st March, 2023			31st March, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets :						
Investment in equity instruments	-	12.55	-	-	12.84	-
Trade Receivables	-	-	1,362.57	-	-	1,235.27
Cash and cash equivalents	-	-	52.88	-	-	269.14
Balance with banks	-	-	93.68	-	-	86.69
Loans	-	-	571.63	-	-	586.25
Other financial assets	-	-	250.72	-	-	413.24
	-	12.55	2,331.48	-	12.84	2,590.59
Financial Liabilities :						
Borrowings	-	-	6,143.71	-	-	7,796.57
Security Deposit	-	-	456.80	-	-	504.12
Trade payable	-	-	2,141.56	-	-	1,419.68
Salary and Bonus to employees	-	-	90.96	-	-	98.08
Other Liabilities	-	-	726.01	-	-	695.69
	-	-	9,559.04	-	-	10,514.14

i) **Fair value hierarchy**

This section explains the judgments' and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the financial instruments is determined using Net Worth method.

iii) **Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements**

(Rs. in Lacs)

Particular	31st March' 2023			31st March' 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	-	-	12.55	-	-	12.84
Total financial assets	-	-	12.55	-	-	12.84

iv) **Fair value of financial assets and liabilities measured at amortized cost**

The carrying amounts of all other financial assets i.e. term deposits and interest there on, trade receivables, cash and cash equivalents, other financial assets and financial liabilities i.e. borrowings, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short -term nature.

(44) - Capital management

- (a) Risk Management : The Group's objective when managing capital are to Safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using debt -equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

(Rs. in Lacs)

Particulars	As at 31st March' 2023	As at 31st March' 2022
Total Debt	6,143.71	7,796.57
Less : Cash and Cash equivalents	146.56	355.82
Adjusted net debt	5,997.15	7,440.75
Total Equity	11,308.24	10,796.82
Gearing Ratio (Net debt / Equity + net debt)	0.35	0.41

- (a) Dividend: During the year, management of the parent or subsidiary companies has decided not to declare any dividend and accumulated its profits for future projects and consolidates its operating efficiency.

(45) Related Party disclosures:

Enterprises owned or significantly influenced by Key management Personal (KMP)	Nature of relationship
North East Power & Infra Ltd.	Enterprises influenced by KMP.
Om Infracon Pvt. Ltd.	Enterprises influenced by KMP.
Plascom Industries, LLP	Enterprises influenced by KMP.
Neelachal Marketing Pvt. Ltd.	Enterprises influenced by KMP.
Meghalaya Cements Ltd.	Enterprises influenced by KMP.
LKC Industries & Infra Pvt. Ltd.	Enterprises influenced by KMP.
Goombira Green Pvt. Ltd.	Enterprises influenced by KMP.
Dony Power & Infra, LLP	Enterprises influenced by KMP.
Dony Polo Udyog Ltd.	Enterprises influenced by KMP.

(II) Key Management Personnel and their relatives:	
Sh. Kamakhya Chamaria	Vice Chairman and Managing Director
Sh. Santosh Kumar Bajaj	Director
Sh. Mahendra Kumar Agarwal	Vice Chairman & Non Executive Director
Mrs. Laxmi Chamaria	Wife of Sh. Kamakhya Chamaria, Vice Chairman & Managing Director
Sh. Mukesh Kumar Shovasaria	Chief Executive Officer
Mr. Rajesh Aggarwal	Chief Financial Officer
Ms. Rachna Gambhir	Company Secretary

Details of transactions between the Group and related parties are as under:

S. no.	Type of Transaction	(Rs. In Lacs)			
		Other Enterprises influenced by KMP		Key Management Personnel / Relatives	
		2022-23	2021-22	2022-23	2021-22
1	Sale of Stores, spares, goods and other services:				
	: Dony Power & Infra LLP	-	0.73		
	: North East Power & Infra Ltd.	0.23	23.55		
	: LKC Industries & Infra Pvt. Ltd.	6.14	4.96		
2	Purchase of Raw Material, goods/ services:				
	: North East Power & Infra Ltd.	840.18	443.23		
	: LKC Industries & Infra Pvt. Ltd.	2.27	-		
	: Plascom Industries, LLP	710.12	674.11		

3	Loan & Advances taken / (Repayment) :				
	: Dony Polo Udyog Ltd.	-	(181.42)		
	: Om Infra Con Pvt. Ltd.	20.00	(6.35)		
	: LKC Industries & Infra Pvt. Ltd.	72.94	114.75		
	: Neelachal Marketing Pvt. Ltd. (net)	(65.24)	(5.68)		
	: Sh. Kamakhya Chamaria			63.08	(116.85)
	: Sh. Mahendra Kumar Agarwal			(573.50)	(539.00)
4	Loans/ Advances given/ (Repayment) :				
	: Goombira Green Pvt. Ltd.	(38.96)	0.25		
5	Interest paid /credited :				
	: Dony Polo Udyog Ltd.	-	10.07		
	: Om Infra Con Pvt. Ltd.	15.92	15.17		
	: Neelachal Marketing Pvt. Ltd.	32.88	1.31		
	: LKC Industries & Infra Pvt. Ltd.	19.93	10.47		
	: Sh. Kamakhya Chamaria			4.09	10.90
7	Office Rent paid :				
	: Mrs. Laxmi Chamaria			26.28	14.00
8	Remuneration paid to Key Management personnel / their relatives :				
	: Sh. Kamakhya Chamaria			46.23	48.00
	: Sh. Mukesh Kumar Shovasaria			36.40	26.99
	: Sh. Rajesh Aggarwal			23.04	21.84
	: Ms. Rachna Gambhir			7.23	2.27
9	Balance Outstanding :				
	(a) Loan taken :				
	: Cement International Ltd.				
	: Meghalaya Minerals and Mines Ltd.				
	: Om Infra Con Pvt. Ltd.	244.12	209.79		
	: LKC Industries & Infra Pvt. Ltd.	225.87	152.93		
	: Neelachal Marketing Pvt. Ltd.	-	65.24		
	: Sh. Kamakhya Chamaria			63.08	-
	: Sh. Mahendra Kumar Agarwal			-	573.50
	(b) Loan given :				
	: Goombira Green Pvt. Ltd.	-	38.96		
	(c) Trade Receivables :				
	: LKC Industries & Infra Pvt. Ltd.	4.00	0.86		
	(d) Trade Payables / (Advances given):				
	: North East Power & Infra Ltd.	113.14	115.95		
	: LKC Industries & Infra Pvt. Ltd.	2.79	3.80		
	: Plascom Industries, LLP	155.95	166.49		
	: Mrs. Laxmi Chamaria			0.25	1.80

(46) Details of Loans or Advances in the nature of loans, that are repayable on demand are as under :

(Rs. in Lacs)

Type of borrower	Amount of Loans or advances in nature of loans outstanding as at		% to the total loans and advances in the nature of loan as at	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Related party in which director is interested	--	38.96	--	6.65%
Other companies	571.63	547.29	100%	93.35%
Total	571.63	586.25	100%	100%

(47) **Financial risk management:**

Financial risk factors

The Group's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's assets and operations. The Group's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that are derived directly from its operations. The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior management oversees the management of these risks and the appropriate financial risk governance framework for the group is in place. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Audit Committee and the Board are regularly apprised of these risks every quarter and each such risk and mitigation measures are extensively discussed and the same are summarized below:

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

(a) **Credit Risk:** Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily from trade receivables including deposits with banks and financial institutions and other financial instruments.

- (i) **Trade receivables:** Customer credit risk is managed by the Group through its established policy, procedures and control relating to customer credit risk management. Trade receivables are non interest bearing and are generally carrying 30-45 days credit term. Outstanding debtors are regularly monitored by the sales and collection team of the Group. Further the Group receives security deposits from its customers which mitigate the credit risk. The ageing of trade receivables as of balance sheet date is as below:

(Rs. In Lacs)

Particulars	Less than 6 months	More than 6 months and up to 1 year	1-2 year	2-3 year	More than 3 year	Total carrying amount of trade Receivables
As on 31 st March, 2023	1,173.98	45.34	12.45	21.08	109.72	1,362.57
As on 31 st March, 2022	807.54	32.01	14.09	154.82	226.81	1,235.27

- (ii) **Financial instruments and deposits:** Credit risk from balance with banks and financial institutions is managed by the finance department of the Group. Credit risk on cash and cash equivalents and bank deposits is generally low as the said deposits have been made with banks having good reputation, good past track record and high quality credit rating and the Group also reviews their credit worthiness on an on-going basis. Other financial assets are considered to be of good quality and there is no significant risk.

(b) **Liquidity Risk:** Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset. Due to the nature of the underlying business, the Group maintains sufficient cash and liquid investments available to meet its obligation. Management of the Group regularly monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The liquidity risk is managed by Group's financial policy, which aims to ensure the availability of sufficient net funds to meet the Group's financial commitments with minimal additional cost.

- (i) **Financial arrangements :** The Group had access to the working capital facilities from the bank amounting Rs. 2,800.00 Lacs (Outstanding balance Rs. 2,691.56 Lacs as at 31st March'2023) which are expiring in one year, subject to the renewal of the same by the banking authorities. A part from the working capital facility, Group has also following outstanding financial liabilities :
- (ii) **Maturities of financial liabilities :** The following tables shows the maturity analysis of the Group's financial liabilities based on the contractually agreed undiscounted cash flows as at the balance sheet date :

(Rs. In Lacs)

Contractual maturities of financial liabilities- 31st March, 2023	Less than 1 year	Above 1 year	Total
Borrowing including Interest Amount	3,394.56	2,749.15	6,143.71
Trade payables	2,052.48	89.08	2,141.56
Other financial liabilities	496.37	777.40	1,273.77
Total financial liabilities	5,943.41	3,615.63	9,559.04

Contractual maturities of financial liabilities- 31st March, 2022	Less than 1 year	Above 1 year	Total
Borrowing including Interest Amount	3,369.51	4,427.07	7,796.58
Trade payables	1,275.60	144.08	1,419.68
Other financial liabilities	497.00	800.89	1,297.89
Total financial liabilities	5,142.11	5,372.04	10,514.14

(c) **Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate consequent up on changes in market prices. It mainly comprises of interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will be impacted because of changes in market interest rate. As the Group's borrowings except borrowing from market are fixed rate borrowings; they are carried out at amortised cost and are not subject to interest rate risk as defined in Ind AS 107.

The exposure of the Group's financial liability to interest rate risk is as follows :

(Rs. In Lacs)

<u>Particulars</u>	<u>31st March' 2023</u>	<u>31st March' 2022</u>
Variable rate (market) borrowing	929.10	1,896.39
Fixed rate borrowings	2,523.05	3,236.04
Total	3,452.15	5,132.43

(48) The Operations of 'Badarpur Energy Pvt. Ltd.' a wholly owned subsidiary was discontinued since last more than five years. The company is confident to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

(49) The business operations of another subsidiary "Cement International Ltd.' were halted since 2016. However, the company has reviewed its carrying cost of assets on the basis of future earnings and business plans and on such review; management is of the view that in the current financial year impairment of assets is not considered necessary.

(50) **Segment Information:**

Particulars	2022-23			2021 -22		
	Cement	Unallocated	Total	Cement	Unallocated	Total
Revenue (Gross)						
External Sales	17,446.27	811.27	18,257.54	17,272.83	297.52	17,570.35
Inter Segment Sales	-	-	-	-	-	-
Total Revenue (Gross)	17,446.27	811.27	18,257.54	17,272.83	297.52	17,570.35
Results						
Segment Result	1664.18	66.11	1,730.29	1,563.68	59.97	1,623.65
Unallocated Expenses / (Incomes) Net	-	-	(1.43)	-	-	(0.82)
Operating Profit			1,731.72			1,624.47
Interest & Finance Charges	869.23	67.61	936.84	913.54	69.11	982.65
Exceptional Items			--			759.00
Provision for Taxation	-	-	144.25	-	-	-
Income Tax reversal for earlier years	-	-	14.16	-	-	-
Deferred Tax (net)	-	-	114.36	-	-	334.91
Net Profit After Tax	-	-	522.11	-	-	(452.09)
Other Information						
Segment Assets	19,283.27	4,044.21	23,327.48	18,789.72	4,247.58	23,037.30

Particulars	2022-23			2021-22		
	Cement	Unallocated	Total	Cement	Unallocated	Total
Unallocated/ Other Assets	-	-	-	-	-	-
Total Assets	19,283.27	4,044.21	23,327.48	18,789.72	4,247.58	23,037.30
Segment Liabilities	11,037.41	981.83	12,019.24	11,064.23	1,176.25	12,240.48
Unallocated/ Other Liabilities	-	-	-	-	-	-
Total Liabilities	11,037.41	981.83	12,019.24	11,064.23	1,176.25	12,240.48
Depreciation	717.00	23.54	740.54	534.56	27.44	562.00

(51) Additional information pursuant to Paragraph 3 of Schedule -III to the Companies Act, 2013 are as under:

Name of Entity in the Group	Net assets (total assets minus total liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income/ (Loss)		Share in Total Comprehensive Income (Loss)	
	% of Consolidated Net Assets	Rs. In Lacs	% of Consolidated Profit or (Loss)	Rs. In Lacs	% of Consolidated OCI	Rs. In Lacs	% of Consolidated TCI	Rs. In Lacs
Parent Company :								
Barak Valley Cements Ltd.	68.90%	7,791.48	111.38%	581.55	100%	(10.69)	111.62%	570.86
Subsidiary Companies :								
1. Cement International Ltd.	4.02%	454.38	(8.21)%	(42.87)	-	-	(8.38)%	(42.87)
2. Badarpur Energy Pvt. Ltd.	2.95%	333.92	(2.55)%	(13.32)	-	-	(2.61)%	(13.32)
3. Meghalaya Minerals & Mines Ltd.	7.52%	849.91	(0.62)%	(3.25)	-	-	(0.63)%	(3.25)
4. Valley Strong Cement (Assam) Ltd.	16.61%	1,878.55	-	-	-	-	-	-
Total	100%	11,308.24	100%	522.11	100%	(10.69)	100%	511.42

(52) The information about Group's Subsidiaries and the proportion of ownership interests held by the Group as at 31st March' 2023 is as below:

Name of the Subsidiary	Place of business and country of incorporation	Ownership Interest held by the group		
		31 st March' 2023	31 st March' 2022	Principal Activities
Cement International Ltd.	India	100%	100%	Cement manufacturing
Valley Strong Cement (Assam) Ltd.	India	100%	100%	Cement manufacturing
Meghalaya Minerals & Mines Ltd.	India	100%	100%	Extraction, Crushing of Lime stone.
Badarpur Energy Pvt. Ltd.	India	100%	100%	Power generation (for captive use)

(53) Previous year's figures have been regrouped and/ or re-arranged wherever necessary, to confirm to current year's classification in order to comply with the requirements of the amended Schedule III to the companies Act, 2013.

(54) Notes to the Consolidated Financial Statements comprised of information relevant for the Group.

In terms of our report of even date

For P.K. Lakhani & Co.,

Firm Registration No. 014682-N

Chartered Accountants,

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
 Vice Chairman & Managing
 Director

(Santosh Kumar Bajaj)
 Director

(CA. Sandeep Gulati)

Partner

M.No. 509230

Gurgaon, 30th May' 2023

(Rajesh Aggarwal)
 Chief Financial Officer

(Mukesh Kumar Shovasaria)
 Chief Executive Officer

(Ms. Rachna Gambhir)
 Company Secretary

Form AOC - 1

Statement containing salient features of financial statements of Subsidiary as per first proviso to Section 129 (3) of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 for the year ended 31st March' 2023

S. no.	Name of wholly owned Subsidiary Company (all Indian Subsidiary)	Cement International Ltd.	Meghalaya Minerals & Mines Ltd.	Badarpur Energy Pvt. Ltd.	Valley Strong Cements (Assam) Ltd.
1	Reporting period for the subsidiary concerned, if different from holding company's reporting period	N.A.	N.A.	N.A.	N.A.
2	Reporting currency and exchange rate as on the last date of the relevant Financial year in each case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.
3	Share Capital	99.27	149.00	496.33	47.43
4	Other Equity	912.27	375.18	(670.11)	1,818.18
5	Total Assets	1,061.82	1,840.63	347.70	1,882.84
6	Total Liabilities	50.28	1,316.45	521.48	17.24
7	Investments	--	--	--	--
8	Turnover (gross)	--	1,759.68	--	--
9	Profit/ (Loss) before Taxation	(42.27)	11.81	(13.32)	--
10	Provision for Taxation	0.60	15.06	-	--
11	Profit/ (Loss) after Taxation	(42.87)	(3.25)	(13.32)	--
12	Proposed Dividend	--	--	--	--
13	% of Shareholding	100%	100%	100%	100%

Note: The company does not have any Associates or Joint Ventures.

For & on behalf of the Board of Directors

(Kamakhya Chamaria)
Vice Chairman & Managing
Director

(Santosh Kumar Bajaj)
Director

(Rajesh Aggarwal)
Chief Financial Officer

(Mukesh Kumar Shovasaria)
Chief Executive Officer

(Ms. Rachna Gambhir)
Company Secretary

Notes

A series of horizontal dotted lines for writing notes.



BARAK VALLEY CEMENTS LIMITED

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