

KANODIA



KANODIA CEMENT LIMITED

ANNUAL REPORT

2022-2023

Contact Info

📍 Registered Office: D-19 UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, UP- 203205.

📍 Corporate Office: A-21, Sector-16, Noida, Gautam Buddha Nagar, U.P- 201301.

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CIN: U36912UP2009PLC037903

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DIRECTORS' REPORT

The Members,

KANODIA CEMENT LIMITED

Your directors present 14th Annual Report for your consideration and approval together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023.

The comparative figures of the financial results on standalone & consolidated basis for the financial year under review vis-à-vis those of the last financial year given below:

1. FINANCIAL RESULTS

(Rs. In lakhs)

PARTICULARS	2022-23		2021-22	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	31,714.69	65,839.53	31,075.77	48891.05
Other Income	130.10	265.91	200.70	290.04
Total Revenue	31,844.79	66,105.44	31276.47	49181.09
Less: Expenses				
	30,152.50	59,183.51	29,379.94	43470.81
Profit before Exceptional, Extraordinary Items & Taxation	1,692.29	6921.93	1,896.53	5683.01
Extraordinary Items			(110.00)	(110.00)
Profit Before Tax	1692.29	6921.93	1786.53	5573.01
Less:				
Current tax	478.76	1292.52	314.09	1398.26
Related to earlier years	2.11	9.24	8.96	8.96
Deferred Tax (Liability)/ Asset	59.41	452.63	277.54	1149.08
MAT Credit-Utilised	63.45	63.45	191.42	-
MAT Credit-Written Off	80.14	80.14		-
Profit (Loss) for the year	1008.42	5023.96	994.52	3016.71

2. PERFORMANCE OF THE COMPANY

Your Company is primarily engaged in the business of grinding and manufacturing of Cement. The Company is in the midst of expansion and your directors are of a strong belief that future plans of the Company will improve and will enhance the present position of growth rate of the Company, The overriding context was business remained tight amidst the regulatory pressures. Business acquisition remained tough, but the team kept going and has clocked 100% achievement of budgets.

FY 2022-23 has been an extremely busy year for your Company as it navigated to address the regulatory pressures to ensure successful strengthening of the fundamentals of the business.

The Financial highlights for FY 2022 – 23 are as under:

Fiduciary Revenue increased to ₹ 31,714.69 (In Lakhs) in April – March 2023 as compared to ₹ 31075.77 (In Lakhs) in April – March 2022

Profit after Tax (PAT) for the year 2022-23 is ₹ 1,008.42 /- (In Lakhs) whereas it was profit of ₹ 994.52/- (In Lakhs) for the year 2022-23

3. SHARE CAPITAL OF COMPANY

As on 01st April, 2022, the Authorized Share Capital of the Company was Rs 84,96,66,100 (Rupees Eighty Four Crores Ninety Six Lakhs Sixty Six Thousand One Hundred Only) divided into 8,49,66,610 (Eight Crore Forty Nine Lakhs Sixty Six Thousand Six Hundred ten only) Equity Shares of Rs. 10/- (Rupee Ten) each and the Paid-up Share Capital of the Company was Rs. 74,56,96,500 (Rupees Seventy Four Crores Fifty Six Lakhs Ninety Six Thousand Five Hundred Only) divided into 7,45,69,650 (Seven Crore Forty Five Lakhs Sixty Nine Thousand Six Hundred fifty only) Equity Shares of Rs. 10/- (Rupees Ten) each.

The Authorized & Paid-up Capital of the Company remained unchanged during the Financial Year 2022-23.

4. AMOUNT TRANSFERRED TO GENERAL RESERVE

Your directors recommend not to transfer any sum to the General Reserves in the current Financial Year.

5. DIVIDEND

Since your Company is rapidly making efforts for its overall growth & expansion. Towards attainment of this goal, your Company is incurring capital expenditure on an on-going basis for upgradation of its existing facilities. The internal accruals are ploughed back to partly fund the ongoing expansion and investment projects.

In view of this, the Directors do not recommend any dividend for the financial year under review and do not propose to carry any amount to reserves.

6. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates to the date of this report.

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE.

There were no significant and material orders passed by the Regulators/Courts/Tribunals that would impact the going concern status of the Company and its future operations.

8. REGISTRAR AND TRANSFER AGENT OF THE COMPANY

M/s Link Intime India Private Limited having its office at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West),, Mumbai City, Mumbai, Maharashtra, India, 400083, is the Registrar & Transfer Agent (RTA) of Company.

9. WEBSITE OF COMPANY:

The Company has maintained a functional website viz- "www.kanodiacement.co.in" containing information about the Company. The website of the Company is containing information like Policies, Financial information and other information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company etc.

10. WEBLINK OF ANNUAL RETURNS

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return of the Company for the financial year 2022-23 is placed on the website of the Company and may be accessed on the Company's website at www.kanodiacement.co.in.

11. CHANGE IN THE NATURE OF BUSINESS & MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE BOARD REPORT

During the year under review there is no change in the nature of business & material changes between the end of financial year and date of the board report.

12. DEPOSITS

During the year under review, your Company has neither accepted any deposit nor there were any amounts outstanding at the beginning of the year which were classified as Deposits as per the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Further, there were no remaining unclaimed deposits as on 31st March, 2023.

13. DETAILS OF SUBSIDIARIES/ASSOCIATES COMPANIES/ JOINT VENTURES

As on March 31, 2023, the Company does have 2 Wholly- Owned Subsidiaries. Hence, there is requirement to report on the performance and financial position of each of the subsidiaries, for which Form AOC-1 as Annexure 1 to the board report is attached. Your company acquired 100% stake in both the companies on 01st July 2022.

CIN	NAME OF COMPANIES	RELATIONSHIP	% of HOLDING
U74900UP2010PLC039750	KANODIA INFRATECH LIMITED	Wholly- Owned Subsidiary	100%
U26999UP2019PTC122527	KANODIA CEM PRIVATE LIMITED	Wholly- Owned Subsidiary	100%

14. ADEQUACY OF INTERNAL FINANCIAL CONTROL

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. In this regard, the Board has also adopted such policies and procedures including Internal Control System for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company's business processes have a strong monitoring and reporting process resulting in financial discipline and accountability.

15. COMPLIANCE AND CORPORATE GOVERNANCE

Your Company believes in providing all necessary disclosure to stakeholders and adopting policies and procedures to remain transparent. The Corporate Governance is based on trust, openness, transparency, fairness, professionalism and accountability for building confidence and trust among various stakeholders.

All directors, employees and consultants of the Company have a duty to safeguard confidentiality and not to misuse the information obtained in course of their day-to-day work for the personal gain or benefit.

16. COMPOSITION OF BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP) AND CHANGES AMONG THEM DURING THE YEAR UNDER REVIEW

The composition of the Board is in conformity with the provisions of the Companies Act, 2013.

• BOARD COMPOSITION

The composition of and the category of Directors on the Board of the Company during the year ended March 31, 2023 are as under:

Category	Particulars of Directors
Managing Director	1. Mr. Vishal Kanodia
Executive Directors	2. Mr. Manoj Kedia
	3. Mr. Saurabh Lohia
Independent Directors	4. Mr. Sanjay Banthia
	5. Mr. Santosh Ramanuj
	6. Mrs. Anju Kumari

• KEY MANAGERIAL PERSONNEL:

In accordance with Section 203 of the Companies Act, 2013, the Company, on its Board has following as KMP of the Company as on 31st March, 2023.

S. No.	Name of Director(s)	DIN/PAN	Designation
1.	Mr. Vishal Kanodia	00946204	Chairman & Managing Director
2.	Mr. Anup Kumar Singh	LFBPS9068H	Chief Financial Officer
3.	Mrs. Shikha Mehra Chawla	CMOPM0152P	Company Secretary & Compliance Officer

During the year under review, Mr. Abhishek Saxena resigned from the post of Company Secretary & Compliance Officer w.e.f. 30th June, 2022 and Ms. Shikha Mehra Chawla was appointed as Company Secretary of the Company at his place in the Board meeting held on 30th June, 2022. Apart from this, there were no change in the composition of the board and KMP's.

17. NUMBER OF MEETINGS OF THE BOARD

During the financial year under review, the Company held four meetings of the Board of Directors, in compliance with the minimum stipulated requirement and the gap between any two meetings did not exceed 120 days. Meetings on 30/06/2022, 30/12/2022 and 29/03/2023 were conducted through Video Conferencing mode and the meeting conducted on 29/09/2022 was conducted in physical mode. The agenda of the Board Meetings was circulated to all the Directors well in advance and contained all the relevant information. The Company was in compliance with the requirement of Secretarial Standards as applicable to the Company.

During the year under review, Board met 4 times

S. No	Date of Board Meeting
1	30/06/2022
2	29/09/2022
3	30/12/2022
4	29/03/2023

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

Name of the Director	Number of Board Meetings attended	Attendance at the last AGM held on 30/09/2022
1. Mr. Vishal Kanodia	4	Yes
2. Mr. Manoj Kedia	4	Yes
3. Mr. Saurabh Lohia	4	Yes

4. Mr. Sanjay Banthia	3	Yes
5. Mr. Santosh Ramanuj	4	Yes
6. Mrs. Anju Kumari	4	Yes

18. BOARD COMMITTEES

Currently the Board has four Committees: Audit Committee, Nomination and remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Committee. Composition of each committee is as per The Companies Act 2013. The Board has authority to re – constitute all of above-mentioned Committees from time to time.

• AUDIT COMMITTEE

The Company has constituted an Audit Committee in accordance with Section 177 of the Companies Act, 2013

a. Composition

As on March 31, 2023, the Audit Committee of the Company consists of three members of which Chairman is an External Non – Executive Director. The composition of and the category of members on the Audit Committee of the Company is as under:

Particulars of Directors	Designation
<ul style="list-style-type: none"> Mr. Santosh Ramanuj Mr. Sanjay Banthia Mr. Vishal Kanodia 	(Chairman) (Member) (Member)

b. Attendance of Directors at Audit Committee Meetings

During the financial year under review, the Company held four meetings of the Audit Committee, in compliance with the minimum stipulated requirement. These meetings were held during the year on **30.06.2022**, **30.12.2022** and **29.03.2023** were conducted through video conferencing mode and meeting on **29.09.2022** was conducted through physical mode. The attendance status of the members at these meetings is provided below

Name of the Director	Number of Meetings attended
<ul style="list-style-type: none"> Mr. Sanjay Banthia Mr. Santosh Ramanuj Mr. Vishal Kanodia 	3 4 4

• NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee ('NRC') Committee in accordance with Section 178 of the Companies Act, 2013

a. Composition

Considering the fiduciary nature of service offering of the Company, the Company form Nomination and Remuneration committee. The composition of and the category of members on the Nomination and Remuneration committee of the Company are as under:

Particulars of Directors	Designation
<ul style="list-style-type: none"> Mr. Sanjay Banthia Mr. Santosh Ramanuj Mrs. Anju Kumari 	(Chairman) (Member) (Member)

b. Attendance of Directors at Nomination and Remuneration committee Committee

During the year, the Company conducted two meeting of Nomination and Remuneration committee dated **30.06.2022 and 29.09.2022**. The attendance status of the members at these meetings is provided below:

Name of the Director	Number of Meetings attended
<ul style="list-style-type: none"> Mr. Santosh Ramanuj Mr. Sanjay Banthia Mrs. Anju Kumari 	2 1 2

• **CORPORATE SOCIAL RESPONSIBILITY ('CSR') COMMITTEE**

The Company has constituted a Corporate Social Responsibility ('CSR') Committee as on December, 30 2022 in accordance with Section 135 of the Companies Act, 2013

a. **Composition:**

Pursuant to Section 135 of the Companies Act, 2013, the Board of Directors of the Company constituted a 'Corporate Social Responsibility Committee' on 30th December 2022. As on March 31, 2023, the CSR Committee consists of 3 members along with Chairman. The present constitution of the CSR Committee of the Company is as follows:

Particulars of Directors	Designation
<ul style="list-style-type: none"> Mr. Santosh Ramanuj Mr. Vishal Kanodia Mr. Saurabh Lohia 	(Chairman) (Member) (Member)

b. **Attendance of Directors at Corporate Social Responsibility Committee**

During the year the Company held one meeting of the Corporate Social Responsibility Committee. The said meeting was held on **29.03.2023** And was conducted through physical mode. The attendance status of the members at the said meetings is provided below:

Name of the Director	Number of Meetings attended
<ul style="list-style-type: none"> Mr. Santosh Ramanuj Mr. Vishal Kanodia Mr. Saurabh Lohia 	1 1 1

• **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Company has constituted a Stakeholders' relationship Committee as on December, 30 2022 in accordance with Section 178 of the Companies Act, 2013

a. **Composition**

The Board has formed the Stakeholders relationship Committee to resolve the grievances of security holders of the company.

The present constitution of the Stakeholders relationship Committee of the Company is as follows:

Particulars of Directors	Designation
<ul style="list-style-type: none"> Mr. Sanjay Banthia Mr. Vishal Kanodia Mr. Manoj Kedia 	(Chairman) (Member) (Member)

b. **Attendance of Directors at Stakeholders relationship Committee**

During the year the Company held one (1) meetings of the Administrative Committee. These meeting was held during the year on **29.03.2023** And was conducted through video conferencing mode The attendance status of the members at this meeting is provided below:

Name of the Director	Number of Meetings attended
<ul style="list-style-type: none"> Mr. Vishal Kanodia Mr. Manoj Kedia Mr. Sanjay Banthia 	1 1 1

19. ANNUAL RETURN

In accordance with the provisions of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2023 in the prescribed form is available on the website of the Company at www.kanodiacement.co.in.

20. REMUNERATION OF DIRECTOR

The details of remuneration paid during the financial year 2022-23 to Directors & KMPs of the Company is provided in the financial statement of the Company & is also published in Annual return of Company.

21. FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The financial statements of the company have been prepared in terms of provisions of the Companies Act, 2013 by following the applicable Accounting Standards notified by the Ministry of Corporate Affairs and forms part of this annual report along with the auditor's report.

The Auditor's Report to the shareholders contain following mentioned qualification:

Auditor's Remark

"The Company has waived interest of Rs. 834.11 lakhs on loan granted to its WOS & other related parties which is not in compliance with Section 186 of Companies Act 2013. This has also impact on the profit for the year and reserve & surplus as at the year end to the extent amount waived off."

Board's Reply

Your Company is engaged in the business of grinding & manufacturing of cement. Further, the Company has duly complied with the provisions of Section 186(1) of Companies Act 2013 & other provisions of Section 186 as well.

Further Section 186 (7) which provides as:

"No loan shall be given under this section at a rate of interest lower than the prevailing yield of one-year, three-year, five-year, or ten-year Government Security closest to the tenor of the loan."

In this regard, we would like to bring into your notice that Company has charged interest at the time of granting the loan. However, later keeping in view the commercial relationship with the borrower & on the request of borrower, it was waived off by the Board of director in its meeting dated

Additionally, Section 186(11) provides exemption from the provisions of Section 186 except Section 186(1) in companies which are engaged in the business of providing

Infrastructural facilities. The expression —infrastructure facilities means the facilities specified in Schedule VI.

Also, Clause 9 of of Schedule VI provides that:-

(9) Other miscellaneous facilities/services, including the following:— (a) mining and related activities; (b) technology related infrastructure; (c) manufacturing of components and materials or any other utilities or facilities required by the infrastructure sector like energy saving devices and metering devices; (d) environment related infrastructure; (e) disaster management services; (f) preservation of monuments and icons; (g) emergency services (including medical, police, fire and rescue). (10) such other facility service as may be prescribed

Accordingly, since our company is engaged in the business of grinding and manufacturing of cement, which is an essential material for infrastructure projects and sectors, the company's business activities fall under the definition of "infrastructure facilities" as extensively defined in Schedule VI of the Companies Act, 2013 (the "Act"). Accordingly, the company is entitled to exemption from compliance of the provisions of Section 186 of the Act, except sub-section (1) thereof.

Therefore, Section 186(7) is not applicable to our Company.

22. AUDITORS

• Statutory Auditors

During the year under the review, M/s Dwivedi Gupta & Co., Chartered Accountants, resigned from the office of Statutory auditor of Company on 27th July, 2022 and M/s Singhi & Co., Chartered Accountants were appointed as Statutory Auditor of the Company on 30th August 2022, to fill the casual vacancy so aroused.

M/s Singhi & Co., Chartered Accountants, (Firm Registration No. - 302049E) were appointed as Statutory Auditors of Company at the 13th Annual General Meeting of Company for a period of 5 years, i.e., until the conclusion of 18th Annual General Meeting of Company.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements in this Annual Report.

• Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, upon the recommendation of Audit Committee, has appointed M/s SSPS & Associates, Company Secretaries, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for F.Y 2022-23.

The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2023 is enclosed as Annexure- II to this Report.

• **Internal Auditors**

In accordance with the provisions of Section 138 of the Companies Act, 2013 and Rules framed thereunder & on the recommendation of Audit Committee, your Company has appointed M/s.Vikas Singh & Associates, Chartered Accountants, as the Internal Auditors of the Company for Financial year 2022-23 and takes their suggestions and recommendations to improve and strengthen the internal control systems.

• **Cost Auditors**

Pursuant to Section 148(1) of the Companies Act, 2013, cost accounts and records are duly Compiled and maintained by the Company. During the financial year under review, the Board of Directors, per the recommendation of the Audit Committee, appointed M/s Yogendra & Associates, Cost Accountants (“Cost Auditors”) to audit the cost records of the Company for the financial year 2022-23.

23. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2022-23.

24. INSURANCE

Adequate insurance cover has been taken for the properties of the company.

25. DISCLOSURE OF FRAUDS AGAINST THE COMPANY

In terms of the provisions of Section 134(3) (ca) of the Companies Act, 2013, there were no fraud committed against the Company which are reportable frauds under Section 141 of Companies Act, 2013 given by the Auditors to the Central Government as well as non-reportable frauds during the year 2022-23.

26. DECLARATION BY INDEPENDENT DIRECTORS

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has three Independent Directors in line with the Companies Act, 2013. The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

As determined by the Board, the Independent Directors of the Company have complied with the Code of Independent Directors as prescribed by Schedule IV of the Companies Act, 2013. In the opinion of the Board, the Independent Directors possess immense experience and expertise to effectively contribute to and guide the Company. The Independent Directors are duly registered with the Indian Institute of Corporate Affairs as required.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transaction with the Company, other than payment of sitting fees.

During the year, a separate meeting of the Independent Directors of the Company was held on March 29, 2023.

27. DIRECTORS' RESPONSIBILITY STATEMENT

Section 134(3)(c) of Companies Act, 2013 (erstwhile Section 217 (2AA) of the Companies Act, 1956) requires the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing and on the basis of representations received from the Operating Management, and after due enquiry, it is confirmed that:

- (1) In the preparation of the annual accounts of the company, the applicable accounting standards had been followed along with proper explanation relating to material departures,
- (2) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of FY 2022- 2023 and of the profit/ loss of the Company for that period,
- (3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (4) The Directors have prepared the annual accounts on a going concern basis,
- (5) 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.

28. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/Board/ Committees was carried out and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and on self-evaluation basis.

Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors.

Based on the questionnaire and feedback, the performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC).

Separate meeting of the Independent directors (“Annual Independent Directors meeting”) was convened, which reviewed the performance of the Board (as a whole), the Non-Independent directors and the Chairman. After convening the Annual Independent director meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the NRC with the Board’s Chairman covering performance of the Board as a whole; performance of the non-independent directors and performance of the Board Chairman.

29. NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for Determining, Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy is available on the company’s website.

30. RISK MANAGEMENT POLICY

The Company has laid down the procedures to inform Board Members about risk assessment and minimization procedures. The Board of Directors of the Company has also framed risk management policy which is adopted across all the departments of the Company in an inclusive manner.

The aim of this policy is not to eliminate risks, rather to manage the risks involved in the Company activities to maximize opportunities and minimize adversity by considering the following: -

- Identification of risk, define ownership with clearly defined roles and responsibilities;
- Balance between the cost of managing risk and the anticipated benefits;
- Contributing to more efficient use/allocation of capital and resources;
- To encourage and promote an pro-active approach towards risk management;
- Identifying any unmitigated risks and formulating action plans for its treatment through regular review.

31. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE & GUARANTEES GIVEN

Complete details of loan(s) given, investment(s) made & Guarantees given along with the purpose are provided in the financial statement.

32. RELATED PARTY TRANSACTIONS

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 & rules made thereunder, the Board has approved a policy on related party transactions. Policy on related party transactions has been placed on the Company's website.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as Annexure-III to this Report.

33. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

34. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178 OF THE COMPANIES ACT, 2013

The Company, upon recommendation of Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. The policy covering these requirements available on website of the company accessible at www.kanodiacement.co.in.

Further, information about elements of remuneration package of individual directors is provided in Annual Return of Company.

35. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

With intent to enhance the Corporate Governance standards and raise the bar beyond statutory requirements, the Board of Directors of Company had approved the Whistle Blower Policy & Vigil Mechanism for the Company. The Policy gives an opportunity to Employees and Directors to report about instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

All the Employees and Directors of the Company are free to approach the designated Ombudsperson to report about malpractices in the affairs of the Company.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION, FOREIGN EXCHANGE EARNING AND OUTGO

Conservation of energy is of utmost significance to the Company. Constant efforts are made to ensure optimum use of energy-by-energy efficient computers/laptops, processes and other office equipment, regular maintenance and up keeping of existing electrical equipments to minimize breakdowns and loss of energy. Further, the company has taken all the relevant measures for conservation of energy, utilization of alternate source of energy& for capital investment on energy conservation equipments.

Further, Company has no foreign exchange earnings and outgo during the year under review.

37. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company believes that the development of employees is one of the most important enablers for an organization. This is being done at both individual and team levels. Sustained development of its employees, both professional and personal, is the hallmark of human resource policies. The Company value its Human Resources and is committed to ensure employee satisfaction, development and growth.

The Company is working towards developing a culture of nurturing leaders, encouraging creativity and openness. Cordial industrial relations and improvements in productivity were maintained at all of the Company's Offices during the year under review.

38. ENVIRONMENT, HEALTH AND SAFETY PROTECTION

Company's Health and Safety Policy commits to comply with applicable legal and other requirements concerned to occupational Health, Safety and Environment matters. Your Company has due system for environmental issues, health and safety issues concerned with the employees and the same is reviewed at regular intervals.

39. PARTICULARS REGARDING INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

40. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility ('CSR') Committee in accordance with Section 135 of the Companies Act, 2013. The Board of Directors has adopted a CSR policy in line with the provisions of the Companies Act, 2013. The CSR policy, inter-alia, deals with the objectives of the Company's CSR initiatives, its guiding principles, thrust areas, responsibilities of the CSR Committee, implementation plan and reporting framework. The current CSR Policy of the Company was approved by the Board at its Meeting held on 30th December, 2022

The CSR Annual Report prepared in accordance with the provisions of the Companies Act, 2013 and Companies (CSR Policy) Amendment Rules, 2021 has been appended as Annexure -IV to this Report.

The entire CSR Budget for the financial year ended March 31, 2023 was spent through Company's CSR Partners.

41. DISCLOSURE REQUIREMENTS

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules 2014 and other applicable provisions of the act to the extent the transactions took place on those items during the year. Your directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act;
- Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- Annual Report and other compliances on Corporate Social Responsibility;
- There is no revision in the Board Report or Financial Statement;
- Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016
- One time settlement of loan obtained from the Banks or Financial Institutions.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

42. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. However, no complaint was received during the year under review.

43. ACKNOWLEDGEMENT

Your directors wish to place on record its thanks and gratitude to the shareholders, dealers, customers, Central and State Government Departments, Organizations, Agencies and other business partners for their continued trust and co-operation extended by them. Your directors further take this opportunity to express its sincere appreciation for all the efforts put in by the employees of the Company at all levels in achieving the results and hope that they would continue their sincere and dedicated endeavour towards attainment of better working results during the current year.

**By Order of the Board of Directors of
M/s. KANODIA CEMENT LIMITED**

Sd/-

Vishal Kanodia
(Chairman & Managing Director)
DIN: 00946204
Address: House no. 187, sector 15
A ,Gautam Buddha Nagar, Noida U.P-
201301

Sd/-

Manoj Kedia
(Director)
DIN: 03526814
Address: Flat no. 13142, T-11
Mahagun Mywood near Gaur city
-2 Gautam Buddha Nagar U.P-
201301

Place: Noida
Date: 30.09.2023

G R O U P

Annexure- I

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A - Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S.N O	PARTICULARS	1	2
1.	Name of the subsidiary	KANODIA INFRATECH LIMITED	KANODIA CEM PRIVATE LIMITED
2.	The date since when subsidiary was acquired.	29/09/2021	04/05/2021
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees (INR)	Indian Rupees (INR)
5.	Share Capital	14,12,50,700	15,00,000
6.	Reserves and Surplus	82,21,65,000	16,11,08,000
7.	Total Assets	182,36,14,000	236,76,46,000
8.	Total Liabilities	86,01,98,000	220,50,38,000
9.	Investments	NIL	NIL
10.	Turnover	217,56,18,000	132,05,33,000
11.	Profit before Taxation	32,78,90,000	19,50,77,000
12.	Provision for Taxation	NIL	NIL
13.	Profit after taxation	23,98,34,000	16,17,22,000
14.	Proposed Dividend	NIL	NIL

15.	Extent of shareholding (in percentage)	100%	100%
-----	--	------	------

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations N.A
- Names of subsidiaries which have been liquidated or sold during the year: N.A

**For and on behalf of the Board
M/s. KANODIA CEMENT LIMITED**

KANODIA

Sd/-

**Vishal Kanodia
(Chairman & Managing
Director)
[DIN: 00946204]**

Sd/-

**Manoj Kedia
(Director)
[DIN: 03526814]**

Sd/-

**Satya Prakash
(Chief Financial Officer)
[PAN: CHJPS7563J]**

Sd/-

**Shikha M Chawla
(Company Secretary)
[M.No: A34986]**

**Place: Noida
Date: 30.09.2023**

G R O U P

FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis:

S. No.	Particulars	Details
a)	Name (s) of the Related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis:

S.No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	M/s. Sapnasudhansh Infosystem Private Limited Relationship: Significant influence of the promoter	Rent Expense	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL

2.	M/s. Kanodia Infratech Limited Relationship: Wholly Owned Subsidiary Companies	1) Sale of goods 2) Supply of services 3) Purchase of goods	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL
3.	M/s. Kanodia Cem Private Limited Relationship: Wholly Owned Subsidiary Companies	1) Supply of services 2) Sale of goods 3) Sale of Fixed Assets 4) Purchase of goods	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL
4.	Mr. Vishal Kanodia Relationship: Managing Director	1) Purchase of Intangible asset 2) Purchase of Fixed asset	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL
5.	Mrs. Khushboo Kanodia and M/s. Shree Shyam Services Relationship: Wife of Mr. Vishal Kanodia	Rent Paid	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL
6.	M/s. NEO HBM Private Limited Relationship: Significant influence of the promoter	1) Sale of goods 2) Supply of service 3) Service Received 4) Purchase of goods	In ordinary course of business	As mutually agreed by the parties	N.A.	NIL

For and on behalf of the Board
M/s. KANODIA CEMENT LIMITED

Sd/-
Vishal Kanodia
(Chairman & Managing Director)
DIN: 00946204
Address: House no. 187, sector 15
A ,Gautam Budh Nagar Noida U.P-
201301

Sd/-
Manoj Kedia
(Director)
DIN: 03526814
Address: Flat no. 13142, T-11
Mahagun Mywood near Gaur city -
2 Gautam Budh Nagar U.P-201301

Place: Noida
Date: 30.09.2023

Annexure- IV

Annual Report on CSR Activities to be Included in the Board's Report for Financial Year 2022-2023

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company.

The Company has formulated a CSR Policy stated in the link mentioned in the Report pursuant to the Section 135 of the Companies Act, 2013 and rules framed thereunder. The Policy is framed for undertaking activities as may be found beneficial for upliftment of the society, environment protection and economic development for the weaker section with preference to local areas and areas near Company's factory sites.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Vishal Kanodia	Director	1	1
2.	Saurabh Lohia	Director	1	1
3.	Santosh Ramanuj	Independent Director	1	1

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

The Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on website of the company accessible at www.kanodiacement.co.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). –

Pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, impact assessment of CSR project to be carry out in financial year 2022-23 was not applicable on Company.

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2021-22	-	-

6. Average net profit of the company as per section 135(5). Rs.847.62 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5). Rs.16.95 Lakhs /-

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. Rs.16.95 Lakhs

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

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1695000/-	NA	-	NA	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	-	-	-	-	-	-	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
-----	-----	-----	-----	-----	-----	-----	-----

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Plantation and prevention of Environment Pollution	protection of flora and fauna	Delhi NCR	Uttar Pradesh and Delhi	NCR	16,95,000	Through Implementing Agency	Akshi Ganga Foundation	CSR00011882

(d) Amount spent in Administrative Overheads- NA

(e) Amount spent on Impact Assessment, if applicable- NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- 16.95 Lakhs

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	16,95000
(ii)	Total amount spent for the Financial Year	16,95000
(iii)	Excess amount spent for the next succeeding three financial year	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
-	-	NIL	NIL	-	NIL	-	NIL

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (In Rs.)	Status of the project - Completed /Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s): **Not applicable**
- (b) Amount of CSR spent for creation or acquisition of capital asset. **Not applicable**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not applicable**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Not applicable**

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

BY ORDER OF THE BOARD OF DIRECTORS
M/s. KANODIA CEMENT LIMITED

Sd/-
Vishal Kanodia
(Chairman & Managing Director)
DIN: 00946204
Address: House no. 187, sector 15
A ,Gautam Budh Nagar Noida U.P-
201301

Sd/-
Manoj Kedia
(Director)
DIN: 03526814
Address: Flat no. 13142, T-11
Mahagun Mywood near Gaur city
-2 Gautam Budh Nagar U.P-
201301

Place: Noida
Date: 30.09.2023



SSPS & ASSOCIATES
Company Secretaries

☐: sspscompliances@gmail.com
☐: +91-9818664657, +91-9643154431

MR-3

Secretarial Audit Report

For the financial period ended March 31, 2023

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

To,

The Members,
KANODIA CEMENT LIMITED
D-19, UPSIDC Land Industrial Area,
Sikandrabad, Bulandshahr,
Uttar Pradesh – 203205
[CIN: U36912UP2009PLC037903]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. **KANODIA CEMENT LIMITED** (hereinafter referred as 'the **Company**'). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Kanodia Cement Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers 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 period ended on March 31, 2023 (commencing from April 1, 2022 to 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 based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter dated September 15, 2023 annexed to this report as **Annexure – A**.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2023 according to the applicable 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; *(Not applicable to the Company during the audit period);*

- 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; *(Not applicable to the Company during the audit period)*;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not applicable to the Company during the audit period)*;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Not applicable to the Company during the audit period)*;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not applicable to the Company during the audit period)*;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(Not applicable to the Company during the audit period)*;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(Not applicable to the Company during the audit period)*;
 - f) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with clients to the extent of securities issued; and *(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit period)*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not applicable to the Company during the audit period)*.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *(Not applicable to the Company during the audit period)*;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- vi) The management has identified and complied with the following laws applicable specifically to the Company:
 - a) Cement (Quality Control) Order, 2003
 - b) Bureau of Indian Standards Rules, 1987
 - c) Factories Act, 1948
 - d) The Legal Metrology Act, 2009

- e) Laws relating to prevention and control of Pollution
- f) Laws relating to Employees, Contract Labour, Child Labour, Wages, Gratuity, Provident Fund, Bonus, Compensation, Employees State Insurance etc.

We have relied upon the representation made by the Company and its officers and compliance reports from the management for systems and mechanism framed by the Company for compliances of other applicable Act, Laws and Regulations to the Company.

2. We have also examined compliance with the applicable clauses of the following:
 - i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards; and
 - ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (*Not applicable to the Company during the audit period*).
3. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations, Secretarial Standards mentioned above.
4. We further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
5. We further report that:
 - i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. There was no change in composition of the Board of Directors during the period under review.
 - ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings was sent at least seven days in advance of the meeting except in few instances. However, in such instances company has obtained consent from all the directors. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Decisions of Board/Committee were carried through majority. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
 - iii) 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.

- iv) We further report that during the audit period the Company had no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.,

For SSPS & Associates

Company Secretaries

[FRN P2023UP094700.]

Sd/-

Sajal Saxena

Partner

Membership No: F11392

Certificate of Practice No: 13387

UDIN: F011392E001021313

Date: September 15, 2023

Place: Noida

Annexure –A to Secretarial Audit Report dated September 15, 2023

To,

**The Members,
KANODIA CEMENT LIMITED
D-19, UPSIDC Land Industrial Area,
Sikandrabad, Bulandshahr, Uttar Pradesh – 203205
[CIN: U36912UP2009PLC037903]**

The Secretarial Audit Report dated September 15, 2023 is to be read with this letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to Kanodia Cement Limited ('the **Company**') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
5. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. This 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 SSPS & Associates
Company Secretaries
[FRN P2023UP094700.]**

**Sd/-
Sajal Saxena
Partner
Membership No: F11392
Certificate of Practice No: 13387
UDIN: F011392E001021313**

Date: September 15, 2023
Place: Noida

INDEPENDENT AUDITOR'S REPORT

To the Members of Kanodia Cement Limited

Report on the Audit of the standalone financial statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Kanodia Cement Limited ("the Company"), which comprise the Standalone Balance sheet as at March 31, 2023, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2023, its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has waived interest of Rs 834.11 Lakhs on loan granted to M/s Kanodia Cem Private Limited (wholly owned subsidiary company) and other related parties which is not in compliance with Section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.



Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act read with Rules thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the standalone financial statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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) Except the impact of matter stated in Qualified Opinion Paragraph, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) Except the impact of matter stated in Qualified Opinion Paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act.
 - (e) The matters described in the "Basis of Qualified Opinion" paragraph above, in our opinion may have no adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on March 31, 2023 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;
 - (g) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (h) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 30 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There was no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. a. The management has represented that, to the best of its knowledge and belief, no funds 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") during the year, with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received other than disclosed in note No. 49(ii) to the financial statements by the Company from any persons or entities, including foreign entities ("Funding Parties") during the year, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The Company has not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company with effect from April 1, 2023, and accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 is not applicable for the financial year ended March 31, 2023.
- (j) In our opinion and according to the information and explanations given to us, the managerial remuneration paid/ provided by the company for the year ended March 31, 2023 is in accordance with the provisions of section 197 read with schedule V to the Act.

Date: September 30, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.

Chartered Accountants

Firm Reg. No. 302049E


Bimal Kumar Sipani

Partner

Membership No. 088926

UDIN : 23088926BGXBKY7895

Annexure A to Independent Auditor's Report of even date to the members of Kanodia Cement Limited on the standalone financial statements as of and for the year ended March 31, 2023 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)

(i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment except in cases of certain assets where the same is in process of updation.

(B) The Company has maintained proper records showing full particular of intangible assets.

b. As represented us, the Company has a regular program of physical verification of its property, plant and equipment by which they are verified in a phased manner over a period of three years which is reasonable having regard to the size of the Company and their nature. However, no physical verification of property, plant, and equipment, as per program, were conducted during the year.

c. Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 11 to the standalone financial statements] are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	71.98	Bluestar Cement Limited	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favour of company is pending. Refer Note no. 37.
	208.99	Durgashree Brick Private Limited	No	January 13, 2021	
Freehold Land	152.92	Durgashree Brick Private Limited	No	January 13, 2021	

d. On the basis of our examination of the record of the Company, the Company has not revalued its property, plant and equipment during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.

e. According to information and explanations given to us, no proceeding has been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.

(ii) a. The Company has not conducted physical verification of inventories during the year. Therefore, we could not comment about whether there are any discrepancies of 10% or more in the aggregate for each class of inventory between book records and physical inventory.

b. The Company having borrowing facilities from a bank on the basis of security of current assets which have been closed during the year, the amount shown in quarterly returns or statements for the

Jun' 22 and Sept' 22 quarter were derived from the unaudited and provisional books of account. The details with respect to trade receivable and trade payable submitted in statement for the quarter ended June 30, 2022 and September 30, 2022 are in agreement with books of account, however, inventory valuations are not maintained in books of account therefore management has calculated valuation manually and submitted with the bank. As regards the disclosure of discrepancies, if any, were not made due to the unfinished summary of reconciliation in this regard.

- (iii) a. Based on the books of account examined by us and according to information and explanation given to us, the Company has granted loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the followings:

Particulars	Guarantees (Rs in Lakhs)	Security (Rs in Lakhs)	Loans (Rs in Lakhs)	Advance in nature of loans (Rs in Lakhs)
Aggregate amount granted/provided during the year:				
- Subsidiaries	-	-	13434.46	-
- Joint Ventures / Associates	-	-	4084.15	-
- Others	-	-		
Balance outstanding as at balance sheet date :				
- Subsidiaries	-	-	12413.31	-
- Joint Ventures / Associates	-	-	-	-
- Others	-	-	-	-

- b. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted and investment made, during the year are, prima facie, not prejudicial to the Company's interest. However, the Company has waived off the interest of Rs 834.11 Lakhs on the above loans which is prejudicial to the Company's interest. The company has also outstanding guarantee, given in earlier year, on the behalf of two related parties for availing loan facility without charging any guarantee commission which is in our opinion, prima facie, prejudicial to the Company's interest.
- c. The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived off interest of Rs 834.11 Lakhs on loan granted to related parties.
- d. Based on the books of accounts and other relevant records examined by us, there is no overdue amount remaining outstanding for more than ninety days as on the balance sheet date.
- e. According to the information and explanation given to us and record examined by us we have not come across any case where the loan granted by the Company which was fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f. According the information and explanation given to us and records examined by us, no loans have been granted during the year which was either repayable on demand or without specifying any terms or period of repayment. The Company has not granted any advance in the nature of loan during the year. Therefore, the provisions of clause 3(iii) (f) of the Order are not applicable to the Company.

- (iv) According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan granted and investment made during the year except to the extent of waiving off interest of Rs 834.11 Lakhs accrued on loans granted to related parties. No security under section 185 and no guarantee and security under section 186 of the Companies Act, 2013 have been given during the year.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products i.e., Cement to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Employee State Insurance, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
- b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings where amount has been quantified by the relevant authorities.

The Name of Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which the amount related	Forum where matter is pending
Income tax Act, 1961	Income-tax demand, interest and penalty	895.65	AY 2011-12	Hon'ble High Court of Delhi
Income tax Act, 1961	Income-tax demand, interest and penalty	468.08	AY 2010-11 to AY 2020-21	Commissioner of Income Tax

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

- (ix) a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. Therefore, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company.
- b. According to information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender during the year.
- c. Based on books of accounts examined by us, term loans were applied for the purpose for which the loans were obtained during the year.
- d. According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis during the year have been used for long-term purposes by the Company.
- e. According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries except disclosed in no. 49 (ii) to the standalone financial statements.
- f. According to the information and explanations given to us, the Company has not raised any loan during the year on pledge of securities held in its subsidiaries. The company has no associates or joint venture.
- (x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) a. Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
- b. During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanation given to us, no whistle-blower complaints received by the Company during the year.
- (xii) In our opinion and according the information and explanation given to us, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Accounting Standards.

- (xiv) In our opinion and based on our examination, the Company has an internal audit system which is not commensurate with the size and nature of its business. We have considered internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transaction with its directors or persons connected with them as referred to in section 192 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the representations given by the management, the Group has no CIC as part of the Group.
- (xvii) The Company has not incurred cash loss in the current financial year and in the immediately preceding financial year. Therefore, the provision of clause 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of statutory auditors during the year and therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) During the year, the Company has paid a donation of Rs. 16.95 Lakhs to Akashiganga Foundation (Foundation) for spending on its ongoing CSR projects. As confirmed by the Foundation, the said fund has not been utilised upto March 31, 2023 and will be utilised in subsequent years on its ongoing CSR projects related to environmental sustainability and ecological balances.

Date: September 30, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E


Bimal Kumar Sipani
Partner

Membership No. 088926

UDIN : 23088926BGXBKY7895

Annexure B to Independent Auditor's Report of even date to the members of Kanodia Cement Limited on the standalone financial statements for the year ended March 31, 2023 (Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

We have audited the internal financial controls with reference to standalone financial statements of Kanodia Cement Limited ("the Company") as of March 31, 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 the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's Internal Financial Controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.



Explanatory Statement


The weakness in operating effectiveness of internal financial control system as stated in 'Emphasis of Matter', was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 standalone financial statements of the Company and this report does not affect our report dated September 30, 2023, which expressed a qualified opinion on those standalone financial statements.

Date: September 30, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E


Bimal Kumar Sipani
Partner

Membership No. 088926

UDIN : 23088926BGXBKY7895

M/S KANODIA CEMENT LIMITED
CIN NO.: U36912UP2009PLC037903
STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(₹ in Lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	1	7,456.97	7,456.97
(b) Reserves and surplus	2	10,849.57	9,841.15
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term borrowings	3	5,492.39	704.40
(b) Deferred tax liabilities (net)	4	697.49	638.08
(c) Other long term liabilities	5	596.03	1,606.08
(d) Long term provisions	6	11.41	8.16
(4) Current liabilities			
(a) Short-term borrowings	7	6.10	1,035.69
(b) Trade payables	8		
total outstanding due to micro and small enterprises		8.21	2.36
total outstanding due to other than micro and small enterprises		2,425.83	1,974.34
(c) Other current liabilities	9	326.44	715.81
(d) Short-term provisions	10	25.51	234.76
Total		27,895.95	24,217.80
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	11A	6,443.54	7,286.71
(ii) Intangible assets	11B	2.48	0.52
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	12	2,164.30	2,202.70
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	13	12,413.30	7,971.40
(e) Other non-current assets	14	370.24	905.60
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	15	371.25	504.07
(c) Trade receivables	16	1,835.32	2,865.55
(d) Cash and bank balances	17	1,764.12	873.69
(e) Short-term loans and advances	18	2,149.49	1,597.84
(f) Other current assets	19	381.91	9.72
Total		27,895.95	24,217.80

Contingent Liabilities and Commitments

30

Significant accounting policies and other notes to the standalone financial statements

1-54

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani

Partner

Membership Number: 088926



For and on behalf of Board of Directors

Vishal Kanodia

Vishal Kanodia

Managing Director

CIN: 00946204

Shikha Mehra Chawla
Company Secretary

Manoj Kedia

Director

DIN: 03526814

Satyaprakash
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 30, 2023

M/S KANODIA CEMENT LIMITED
CIN NO.: U36912UP2009PLC037903

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Lakhs, except EPS)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
I Revenue from Operations	20	31,714.69	31,075.77
II Other Income	21	130.10	200.70
III Total Revenue (I+II)		31,844.79	31,276.47
IV EXPENSES:			
Cost of materials consumed	22	18,383.87	19,083.68
Purchase of stock-in-trade	23	5,228.21	3,927.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	-35.49	-16.46
Employee benefits expense	25	606.46	224.72
Finance costs	26	92.51	127.61
Depreciation and amortisation expense	11	566.61	451.42
Other expenses	27	5,310.32	5,581.44
Total Expenses		30,152.50	29,379.94
V Profit before exception and extraordinary items and tax (III-IV)		1,692.29	1,896.53
VI Exception items [expense/(income)]	28	-	110.00
Profit before extraordinary items and tax (III-IV)			
vii Extraordinary Items			
VII Profit before tax (III-IV)		1,692.29	1,786.53
VIII Tax expense:			
(1) Current tax			
- Current year		478.76	314.09
- Related to earlier years		2.11	8.96
(2) Deferred tax charge/(credit) (net)			
- Current year	4	59.41	60.40
- Related to earlier years		-	217.13
(3) Mat credit- Utilised		63.45	191.42
(4) Mat credit- Written off		80.14	-
IX Profit for the year (VII-VIII)		1,008.42	994.52
X Earning Per Equity Share	31		
[having face value of ₹ 10 (Previous year ₹ 10) each]			
- Basic and diluted		1.35	1.33

Significant accounting policies and other notes to the standalone financial statements

1-42

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani

Partner

Membership Number: 088926



For and on behalf of Board of Directors

V2shad Kanodia

Vishal Kanodia
Managing Director

DIN: 00946204

Shikha Mehra Chawla
Company Secretary

Manoj Kedia

Director

DIN: 03526814

Satyaprakash
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 30, 2023

M/S KANODIA CEMENT LIMITED

CIN NO.: U36912UP2009PLC037903

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow From Operating Activities		
Profit before tax	1,692.29	1,786.53
Adjustments for:		
Depreciation and amortisation expense	566.61	451.42
Net loss / (profit) on sale of property, plant and equipment	101.20	(15.53)
Finance costs	92.51	127.61
Bad debts	42.36	560.92
Advances written off	-	126.37
Net profit on sale of Non Current Investments	(25.64)	(5.40)
Interest Income	(57.35)	(47.53)
Provision for permanent diminution of investment	25.11	-
Dividend Income	(0.33)	(0.20)
Operating profit before working capital changes	2,436.77	2,984.18
Adjustments for :		
Trade and other receivables	222.09	(87.44)
Inventories	132.82	290.34
Trade and other payables	(938.69)	221.65
Cash generated from operations	1,852.99	3,408.74
Direct taxes paid	(957.49)	(106.51)
Net cash inflow / (outflow) from operating activities	895.50	3,302.23
B. Cash flow from investing activities		
Purchase of property, plant and equipments	(25.81)	(58.05)
Sale of property, plant and equipments	199.20	172.25
Investments in equity shares/ Preference shares	(31.13)	(677.48)
Loan given	(17,518.60)	(17,403.89)
Loan received back	13,076.71	13,551.76
Net (increase) / decrease in fixed deposits	-	2,024.17
Sale of Non Current Investments	70.06	-
Dividend Income	0.33	-
Interest received	56.35	46.87
Net Cash Inflow / (Outflow) from investing activities	(4,172.90)	(2,344.37)
C. Cash Flow From Financing Activities		
Proceeds from long term borrowings	22,740.40	11,453.03
Repayment of long term borrowings	(18,095.56)	(13,391.65)
Net proceeds / (repayment) of short term borrowings	(886.44)	886.44
Finance costs paid	(92.51)	(127.61)
Net cash inflow / (outflow) from financing activities	3,665.89	(1,179.79)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	388.49	(221.93)
Opening balance of cash and cash equivalents	167.01	388.94
Closing balance of cash and cash equivalents	555.51	167.01
Cash and cash equivalents comprise :		
Cash on hand	34.55	36.51
Balance with schedule banks :		
In current accounts	520.95	116.72
In cash credit account	-	13.78

Note : (1) The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3- Cash Flow Statement.

(2) Previous Year's figures have been regrouped / rearranged wherever necessary

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani

Partner

Membership Number: 088926



For and on behalf of Board of Directors

Vishal Kanodia

Vishal Kanodia
Managing Director

DIN: 00946204

Shikha Mehra Chawla
Company Secretary

Manoj Kedia
Director

DIN: 03526814

Satyaprakash
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 30, 2023

M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

1 Share Capital

Particulars	Note	As at 2023	As at 2022
Authorised			
8,49,66,610 (Previous year 8,49,66,610) Equity Shares of ₹ 10/- each (Previous Year ₹ 10/- each)*		8,496.66	8,496.66
		8,496.66	8,496.66
Issued, subscribed and fully paid up			
7,45,69,650 (Previous year 7,45,69,650) Equity Shares of ₹ 10/- each fully paid-up (Previous Year ₹ 10/- each fully paid-up)*		7,456.97	7,456.97
		7,456.97	7,456.97

a) Reconciliation of number of Equity Shares Outstanding

	Nos	Nos
Number of shares at the beginning of the year	7,45,69,650	74,56,965
Add : Issued during the year	-	-
Add : Adjustment due to split of shares [face value ₹ 100 to ₹ 10]*	-	6,71,12,685
Number of shares at the end of the year	7,45,69,650	7,45,69,650

* Pursuant to the special resolution passed in the extra-ordinary general meeting held on March 12, 2022, the face value of equity shares of the Company has been split from ₹100 to ₹10 per share with effect from March 12, 2022.

b) Rights, preferences and restrictions attached with Equity Shares

The Company has only one class of equity shares having par value of ₹ 10 per share (Previous Year ₹ 10 each). Each holder of equity shares is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the company (as per shareholders' register maintained by the Company)

Shareholders' Name	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held (Nos)	Percentage of Holding	No. of Shares held (Nos)	Percentage of Holding
Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	3,09,30,200	41.48%
Trish Kanodia Beneficiary Trust	2,99,60,200	40.18%	2,99,60,200	40.18%
Vishal Kanodia	46,14,540	6.19%	46,14,540	6.19%
Gautam Kanodia	44,77,370	6.00%	44,77,370	6.00%

d) Details of promoters' shareholder holding

Shareholders' Name	As at March 31, 2023			As at March 31, 2022		
	No. of Shares held (Nos)	Percentage of Holding	% Change during the year	No. of Shares held (Nos)	Percentage of Holding	% Change during the year
Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-	3,09,30,200	41.48%	-
Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-	2,99,60,200	40.18%	-
Vishal Kanodia	46,14,540	6.19%	-	46,14,540	6.19%	-



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

2 Reserves and Surplus

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(i) Securities Premium			
Balance as per last audited financial statements		12,051.27	12,051.27
Balance at the end of the year		12,051.27	12,051.27
(ii) Surplus in the Statement of Profit and Loss			
Balance brought forward from previous year		(2,210.12)	(3,204.64)
Add: Profit for the year		1,008.42	994.52
Balance as at the end of the year		(1,201.70)	(2,210.12)
Total Reserves and Surplus (i to ii)		10,849.57	9,841.15

3 Long-term Borrowings

Particulars	Note	Non Current Portion	
		As at March 31, 2023	As at March 31, 2022
Secured			
(i) Vehicle loans from a bank	3.1	-	-
(ii) Term loans from Uttar Pradesh Government	3.2	1,000.79	654.54
Total (A)		1,000.79	654.54
Unsecured			
Term Loans:			
(i) Loan from companies (related parties)	3.3	1,458.57	-
(ii) Loan from a subsidiary company	3.4	3,033.03	49.86
Total (B)		4,491.60	49.86
Net Total		5,492.39	704.40

Security	Name of Lender	Repayment Terms	Rate of interest (Current year)	Rate of interest (Previous year)	As at March 31, 2023	As at March 31, 2022
Hypothecation in favour of HDFC bank limited against vehicle finance scheme.	HDFC Bank Limited	Truck Chassis and Body - starting from February 5, 2018 and October 20, 2018 - has been fully repaid (Previous year - to be repaid in 5 equal monthly instalments). Other Vehicles - starting from April 7, 2019 - has been fully repaid (Previous year - to be repaid in 12 equal monthly instalments)	Not Applicable	8.71 to 9.75%	-	102.42

Security	Name of Lender	Repayment Terms	Rate of interest (Current year)	Rate of interest (Previous year)	As at March 31, 2023	As at March 31, 2022
Secured by bank guarantee of equal amount of loan and charge on Plot No. D-19, Gata No. 130 & 131, Industrial area Sikandrabad, District Bulandshahr.	Uttar Pradesh Government under "Audyogik Nivesh Pratsahan Yojana - 2012"	on or before 11/11/27	Interest free loan	Interest free loan	453.01	453.01
Secured by bank guarantee of equal amount of loan.		on or before 28/09/27	Interest free loan	Interest free loan	125.36	125.36
Secured by bank guarantee of equal amount of loan.		on or before 28/09/29			422.42	-
Secured by bank guarantee of equal amount of loan and second charge on entire fixed assets viz. Land, Building, Plant & machinery & other fixed assets installed at Unit - II of the Company.		on or before 02/04/23			-	76.17
		on or before 09/05/22			-	40.73

- 3.3 The Loan of Rs. 1322.61 Lakhs and Rs. 135.96 Lakhs (Previous year - Nil) are interest bearing @8.25% per annum and repayable shall be made on or before March 15, 2028 and on or before March 1, 2027 respectively. Interest aggregating ₹ 7.28 Lakhs (Previous Year - Nil) accrued on loans borrowed have been waived off during the year.
- 3.4 The Loan is interest bearing @8.25% per annum and repayable shall be made on or before March 31, 2026. Interest aggregating ₹ 246.67 Lakhs (Previous Year - Nil) accrued on loans borrowed have been waived off during the year.
- 3.5 Interest aggregating ₹11.30 Lakhs (Previous year - ₹0.95 Lakhs) on loans borrowed from a related party has been waived off during the year.

4 Deferred Tax Liabilities/(Assets) (Net)

The Company has recognised following deferred tax assets and liabilities determined on account of timing differences in accordance with Accounting Standard 22 "Accounting of Taxes on Income".

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liabilities on account of:			
Depreciation and amortisation expenses	4.1	703.00	641.84
Deferred Tax Assets on account of:			
Expenses allowed on payment basis	4.1	5.51	3.76
Net deferred tax Liabilities/(Assets) [(a)-(b)]		697.49	638.08

- 4.1 In the previous year, the Company has recomputed deferred tax for earlier years and error for ₹ 217.13 Lakhs in determination of deferred tax liability on depreciation and amortisation has been shown separately in Statement of Profit and Loss.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

5 Other Long Term Liabilities

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Security deposit from customers	5.1	546.09	706.08
Amount payable to related parties for purchases of shares	5.2	49.94	997.94
Less : Current Maturities of amount payable to related parties for purchases of shares	9		(97.94)
Total		596.03	1,606.08

5.1 Securities deposits received from customers are unsecured and refundable at the time of termination of contract with agents.

5.2 The Company has purchased equity shares of Subsidiaries from related parties for which amount is repayable in next 5 years.

6 Long Term Provisions

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employees Benefits	36	11.41	8.16
Total		11.41	8.16

7 Short term borrowings

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Secured			
Loan repayable on demand from a bank	7.1	-	886.44
Current maturity of long term loans			
(i) Vehicle loans from a bank	3.1	-	102.42
(ii) Term loans from Government	3.2	-	40.73
Unsecured			
Current maturity of long term loans			
(i) Interest free Loan from a company (related party)		6.10	6.10
Total		6.10	1,035.69

7.1 Exclusive charge in favour of the Bank by way of hypothecation of inventories and other moveables including trade and other receivables, both present and future, in a form and manner satisfactory to the Bank, and also secured by personal guarantees of two directors. The loan is further secured by collateral by way of mortgage on the properties located at A 21, Sector 16, Noida, Uttar Pradesh (India). During the year, the Company has closed working capital limit from a bank and accordingly filed satisfaction of its charge.

8 Trade Payable

Particulars	Note	As at March 31, 2023	As at March 31, 2022
For Goods & Services	8.1		
Total outstanding due to Micro and Small Enterprises	8.2	8.21	2.36
Total outstanding due to other than Micro and Small Enterprises			
- to a related party	35	30.21	63.90
- to others		2,395.62	1,910.44
Total		2,434.04	1,976.70

8.1 Certain trade payables are subject to reconciliation and confirmations.

8.2 Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Disclosures relating to dues of Micro and Small enterprises under section 22 of MSMED Act, are given below:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Principal amount and Interest remained unpaid to any supplier as on		
- Principal amount remained unpaid to any supplier as on	7.08	2.36
- Interest remained unpaid to any supplier as on March 31, 2023	1.13	-
(b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
(d) the amount of interest accrued and remaining unpaid.	1.13	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.		



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

8.3 Trade payable ageing as at March 31, 2023

Particulars	Outstanding for following periods from transaction date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	7.08	1.13	-	-	-	8.21
(ii) Others	1,250.47	1,029.52	18.24	13.30	-	2,311.53
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	114.30
Total	1,257.55	1,030.65	18.24	13.30	-	2,434.04

Trade payable ageing as at March 31, 2022

Particulars	Outstanding for following periods from transaction date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2.36	-	-	-	-	2.36
(ii) Others	599.93	1,314.54	57.89	-	1.98	1,974.34
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-
Total	602.29	1,314.54	57.89	-	1.98	1,976.70

9 Other current liabilities

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employee emoluments		39.18	14.72
Advances from customers		61.90	146.88
Advances from customers (related parties)	35	-	26.40
Statutory dues payable		225.35	429.76
Current maturities of amount payable to related parties for purchases of shares	5	-	97.94
Other payables		-	0.11
Total		326.44	715.81

10 Short term provisions

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employees benefits	36	0.76	0.62
Provision for tax (net)		24.75	234.14
Total		25.51	234.76



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Note 11- Property, Plant & Equipments and Intangible Assets

S. NO	DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 31-03-2022	Additions/ Adjustments	Deduction/ Adjustments	As at 31-03-2023	As at 31-03-2022	for the year	Deduction/ Adjustments	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
11A	Property, Plant and Equipment										
	Land (Freehold)	400.13	-	-	400.13	-	-	-	-	400.13	400.13
	Land (Leasehold)	335.95	-	-	335.95	35.01	4.58	-	39.60	296.35	300.94
	Buildings	1,643.43	0.65	-	1,653.08	426.11	71.27	-	497.38	1,155.71	1,217.32
	Plant and Equipments	5,746.06	5.39	-	5,751.45	1,025.42	279.53	-	1,304.95	4,446.50	4,720.64
	Electrical Installations & Equipments	196.07	-	-	196.07	132.76	13.72	-	148.48	49.39	63.31
	Computers	43.83	6.11	-	49.94	20.77	12.87	-	33.64	16.30	23.06
	Furniture and fixtures	3.75	-	-	3.75	1.35	0.48	-	1.83	1.92	2.40
	Vehicles	1,096.42	-	952.12	144.30	554.08	178.90	651.72	81.26	63.04	542.34
	Office Equipments	20.53	2.66	-	23.19	3.98	5.21	-	9.19	14.00	16.55
	Sub Total (11A)	9,486.17	23.81	952.12	8,557.86	2,199.48	566.57	651.72	2,114.33	6,443.54	7,286.71
11B	Intangible Assets										
	Computer Software	0.76	2.00	-	2.76	0.24	0.04	-	0.28	2.48	0.52
	Sub Total (11B)	0.76	2.00	-	2.76	0.24	0.04	-	0.28	2.48	0.52
	TOTAL (11A+11B)	9,486.93	25.81	952.12	8,560.62	2,199.72	566.61	651.72	2,114.61	6,446.02	7,287.23

S. NO	DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 31-03-2021	Additions/ Adjustments	Deduction/ Adjustments	As at 31-03-2022	As at 31-03-2021	for the year	Deduction/ Adjustments	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
11A	Property, Plant and Equipment										
	Land (Freehold)	555.85	-	155.72	400.13	-	-	-	-	400.13	555.85
	Land (Leasehold)	335.95	-	-	335.95	-	35.01	-	35.01	300.94	335.95
	Buildings	1,643.43	-	-	1,643.43	345.67	80.44	-	426.11	1,217.32	1,297.76
	Plant and Equipments	5,705.44	37.62	1.00	5,746.06	867.65	157.77	-	1,025.42	4,720.64	4,841.79
	Electrical Installations & Equipments	196.07	-	-	196.07	118.85	13.91	-	132.76	63.31	77.22
	Computers	30.61	13.22	-	43.83	12.06	8.71	-	29.77	23.06	18.55
	Furniture and fixtures	3.75	-	-	3.75	1.21	0.14	-	1.35	2.40	2.54
	Vehicles	1,096.42	-	-	1,096.42	400.55	153.59	-	554.08	540.34	695.87
	Office Equipments	14.08	6.45	-	20.53	2.30	1.68	-	3.98	16.55	11.78
	Sub Total (11A)	9,585.60	57.29	156.72	9,486.17	1,748.29	451.19	-	2,199.48	7,286.69	7,837.31
11B	Intangible Assets										
	Computer Software	-	0.76	-	0.76	-	0.24	-	0.24	0.52	-
	Sub Total (11B)	-	0.76	-	0.76	-	0.24	-	0.24	0.52	-
	TOTAL (11A+11B)	9,585.60	58.05	156.72	9,486.93	1,748.29	451.42	-	2,199.72	7,287.21	7,837.31

Note :

(i) There were no revolution carried out by the company during the year and previous year.

(ii) Assets pledged and hypothecated against borrowings: Refer Note 3.

(iii) The title deeds of immovable properties are held in the name of the Company as at March 31, 2023 and March 31, 2022, except for the following :

Description of property	Held in the name of	Gross carrying value (₹ Lakhs)	Net carrying value (₹ Lakhs)	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	Bluestar Cement Limited	71.98	62.43	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favour of company is pending. Refer Note no. 37.
	Durgashree Brick Private Limited	208.99	185.20	No	January 13, 2021	
Freehold Land	Durgashree Brick Private Limited	152.92	152.92	No	January 13, 2021	



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

12 Non -Current Investments

Particulars	Note	As at		As at	
		As at March 31, 2023		As at March 31, 2022	
		Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
I Investments in Wholly owned Subsidiaries					
Equity shares of Kanodia Infratech Limited having face value of ₹ 10 each (Previous year ₹100 each)*		1,41,25,070	1,865.21	13,98,461	1,834.31
Equity shares of Kanodia Cem Private Limited having face value of ₹ 10 each (Previous year ₹100 each)*		1,50,000	15.08	14,850	14.85
* Shares having face value of ₹100 each have been split into face value of ₹10 each on September 30, 2022, accordingly, no. of shares have been increased.					
II Investments in Preference instruments (unquoted) (Trade) at cost					
0.01% Compulsorily Convertible Preference Shares of M/s Stark Enterprises Private Limited having face value ₹ 10 each		-	-	125	25.00
Preference Shares of Eudibte Technologies Private Limited having face value of ₹ 10		155	25.11	155	25.11
Less: Provision for permanent diminution			(25.11)		
III Investments in PMS					
Investment in PMS	Face value				
Ajanta Pharma Ltd	2	-	-	18	0.29
Apollo Hospitals Enterprise Limited	5	-	-	21	0.28
Bajaj Electricals Ltd	2	-	-	-	-
Data India Ltd	5	-	-	67	0.54
APL Apollo Tubes Limited	2	-	-	140	0.20
Caplin Point Laboratories Limited	2	-	-	112	0.39
Easy Trip Planners Limited	1	-	-	438	0.43
Emami Ltd	1	-	-	161	0.44
The Federal Bank Limited	2	-	-	1,167	0.71
Gateway Distriparks Ltd	10	-	-	1,640	0.56
Johnson Controls-Hitachi Air Conditioning India Ltd	10	-	-	46	1.03
Happiest Minds Technologies Limited	2	-	-	-	-
ICICI Bank Ltd	2	-	-	209	0.78
IIFL Wealth Management Limited	1	-	-	78	1.02
ION Exchange (India) Limited	10	-	-	47	0.49
Jamna Auto Industries Limited	1	-	-	777	0.51
Just Dial Limited	10	-	-	-	-
JK Cements Ltd	10	-	-	26	0.30
Jubilant Foodworks Ltd	2	-	-	37	0.84
Lumax Industries Ltd	10	-	-	76	1.14
Mayur Uniquoters Ltd	5	-	-	233	0.51
Oberoi Realty Ltd	10	-	-	104	0.50
Page Industries Ltd	10	-	-	3	0.66
PI Industries Ltd	1	-	-	39	0.58
PNC Infratech Limited	2	-	-	277	0.55
Navin Fluorine International Ltd	2	-	-	24	0.34
Persistent Systems Ltd	10	-	-	38	0.29
RBL Bank Limited	10	-	-	-	-
Shriram Transport Finance Company Ltd	10	-	-	54	0.38
Spandana Sphoorty Financial Limited	10	-	-	126	0.73
JK Lakshmi Cement Ltd	5	-	-	186	0.49
Honeywell Automation India Ltd	10	-	-	1	0.30
Axis Bank Ltd	2	-	-	-	-
Varroc Engineering Limited	1	-	-	24	0.10
Garware Hi-Tech Films Limited	10	-	-	107	0.97
JK Paper Limited	10	-	-	262	0.38
Polycab India Limited	10	-	-	46	1.10
SBI Cards and Payment Services Limited	10	-	-	100	1.05
Triveni Turbine Ltd	1	-	-	408	0.53
Total			1,880.28		1,918.67



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

12 Non -Current Investments

Particulars	Note	As at		As at	
		As at March 31, 2023		As at March 31, 2022	
		Gross Block	Net Block	Gross Block	Net Block
IV Investment Property					
Freehold Land		284.02	284.02	284.02	284.02
Total		284.02	284.02	284.02	284.02
Total (I+II+III +IV)			2,164.30		2,202.70

A. Other disclosures :

Aggregate amount of Unquoted Investments	2,189.41	2,183.29
Aggregate amount of Quoted Investments	-	19.42
Market Value of Quoted Investments	-	30.97
Aggregate Provision for Diminution in the value of Investments	25.11	-

B. The title deeds of immovable properties are held in the name of the Company as at March 31, 2023 and March 31, 2022, except for the following :

Description of property	Held in the name of	Gross carrying value (₹ Lakhs)	Net carrying value (₹ Lakhs)	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in range)	Remarks
Freehold Land	Rinam Trading Private Limited through Saurabh Lehia	284.02	284.02	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the Company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favour of Company is pending. Refer Note no 37.

13 Long Term Loans and Advances

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)			
Loan to companies - related parties	35	12,413.30	7971.40
Total		12,413.30	7,971.40

13.1 Pledged and hypothecated against borrowings. Refer Note 7.

13.2 No Loans or other receivables are due from directors or other officers of the company either severally or jointly with any other person.

13.3 Interest aggregating ₹ 834.11 Lakhs (Previous Year- ₹ 480.49 Lakhs (net of recoveries ₹ 23.19 lakhs) accrued on loans granted have been waived off during the year.

14 Other Non Current assets

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
Security Deposits - related parties	35	-	564.81
Security Deposits		370.24	340.79
Total		370.24	905.60

14.1 Pledged and hypothecated against borrowings. Refer Note 7.

15 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	Note	As at March 31, 2023	As at March 31, 2023
Raw materials		295.79	461.25
Work-in-progress		65.93	30.44
Stores and spares		9.53	12.38
Total		371.25	504.07

15.1 Inventories were not physically verified during the year and at end of the year and same have been considered on the basis of book quantity identified from derived method. The management do not expects any major deviation between the books stock and physical stock.

15.2 Pledged and hypothecated against borrowings. Refer Note 7.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

16 Trade Receivables

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
- Receivable from related parties	35	-	216.61
- Receivable from others	16.1	1,835.32	2,648.94
Total		1,835.32	2,865.55

16.1 Certain trade receivables are subject to reconciliation and confirmations.

16.2 Assets pledged and hypothecated against borrowings. Refer Note 7.

16.3 Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from Transaction Date						Total
	Not Due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	-	1,788.79	10.17	22.48	13.88	-	1,835.32
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from Transaction Date						Total
	Not Due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	-	2,766.03	57.09	42.43	-	-	2,865.55
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-

17 CASH AND BANK BALANCES

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents			
Cash on hand		34.55	36.51
Balances with Scheduled banks:			
In current accounts	17.1	520.95	116.72
In cash credit account	17.1	-	13.78
Total (A)		555.50	167.01
Other bank balances			
Fixed deposits with remaining maturity beyond 3 months but less than 12 months		2.64	2.64
Fixed deposits held as margin money against bank guarantee with remaining maturity beyond 3 months but less than 12 months		9.87	-
Fixed deposits held as margin money against bank guarantee with remaining Maturity beyond 12 months	17.1	1,196.11	704.05
Total (B)		1,208.62	706.68
Total (A+B)		1,764.12	873.69

17.1 The Company is in the process of transferring following bank accounts and fixed deposits in the name of Kanodia Cement Limited from respective amalgamating companies (Refer Note no. 37).

Balances with Scheduled banks:

In current accounts	17.55	20.31
In cash credit account	-	13.78
Fixed deposits held as margin money against bank guarantee with remaining Maturity beyond 12 months	170.15	180.58

18 Short Term Loans and Advances

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)			
Advance receivable in cash or kind		123.99	230.62
Advance receivable in cash or kind - related parties	35	-	1.00
Advance to suppliers		1,672.29	1,221.04
Income-tax refund		21.54	1.60
MAT credit entitlement		-	143.58
Other Receivables		331.67	-
Total		2,149.49	1,597.84

18.1 No Loans or other receivables are due from directors or other officers of the company either severally or jointly with any other person and are due from private companies in which director is a partner, or director or member except reported as "Advance receivable in Cash or Kind - Related parties" above.

18.2 Pledged and hypothecated against borrowings. Refer Note 7.

18.2 Interest Nil (Previous Year aggregating ₹ 0.95 Lakhs) accrued on loans granted have been waived off during the year.

19 Other Current Assets

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)			
Accrued interest		1.66	0.66
GST Receivable		370.51	-
Prepaid expenses		4.60	4.82
Others		5.14	4.24
Total		381.91	9.72

19.1 Pledged and hypothecated against borrowings. Refer note 7.



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(₹ in Lakhs)

20 Revenue from operations

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products (Cement)	20.1		
- Cement		26,228.44	27,413.58
- Clinker		4,352.67	2,839.77
- Fly Ash & Others		376.18	414.33
Other Operating Income			
- Services income from transportation	20.1	757.40	408.09
Net Revenue from Operations		31,714.69	31,075.77

20.1 Refer Note 35 - Related Party Disclosure

21 Other Income

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income		57.35	47.53
Dividend Income		0.33	0.20
Net profit on sale of property, plant and equipment		-	15.53
Net profit on sale of non-current investments		25.64	5.40
Insurance claim received		9.85	2.71
Sundry balances written back		9.20	129.33
Miscellaneous Income		27.73	-
Total		130.10	200.70

22 Cost of materials consumed @

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Clinker		15,600.84	16,088.38
Others		1,558.45	1,556.34
Packing materials		1,224.59	1,438.95
Total		18,383.88	19,083.67

@ Identified from derived method.

23 Purchase Of Stock-In-Trade:

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock-In-Trade (Clinker and Fly Ash)		5,228.21	3,927.53
Total		5,228.21	3,927.53

24 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories as at March 31, 2023			
Work-in-Progress		65.93	30.44
Inventories as at March 31, 2022			
Work-in-Progress		30.44	13.98
(Increase) / Decrease in Inventories		(35.49)	(16.46)



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

25 Employees benefit expenses

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus		588.86	215.60
Gratuity		4.30	4.60
Contribution to provident and other funds		13.30	4.52
Total		606.46	224.72

26 Finance Costs

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		83.66	83.92
Interest on statutory dues		8.85	42.49
Other borrowing costs		-	1.20
Total		92.51	127.61

27 Other Expenses

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Stores and spare parts consumed		461.63	734.59
Power and fuel		1,968.85	2,269.14
Repair and maintenance			
- Plant and machinery		229.57	173.34
- Others		-	38.33
Rent		44.57	144.73
Rates and taxes		2.99	3.52
Corporate Social Responsibility	42	16.95	-
Insurance		30.65	28.36
Legal and professional		248.46	85.88
Auditors Remuneration			
- For audit fee		7.50	7.50
- For tax audit		1.00	-
- For tax audit of previous year		1.00	-
- For income-tax matter		-	-
- For Certifications & Others		0.15	-
- Reimbursement of expenses		0.46	-
Freight outward		881.40	1,058.00
Advertisement and business promotion		942.99	125.61
Selling and distribution		118.23	164.61
Net loss on sales of property, plant and equipment		101.20	-
Bad debts		42.36	560.92
Provision for permanent diminution of investment		25.11	-
Advances written off		-	16.37
Printing and stationary		3.71	-
Miscellaneous		181.54	170.57
Total		5,310.32	5,581.44

28 Exception Items

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Advances written off*		-	110.00
Total		-	110.00

* Advance given to a vendor against purchase of property in earlier years has been written off during the Previous year.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

29.1 Company Information

Kanodia Cement Limited ('KCL' or 'the Company') is a public limited company domiciled and incorporated in India. The registered office of the company is at D-19, UPSIDC Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh. The Company has Cement grinding facilities at Sikandrabad, Bulandshahr, India. The Company is principally engaged in the manufacturing of Cement in India.

29.2 Significant Accounting Policies

a. Basis of Preparation

The standalone financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 read with the Companies (Accounting Standard) Rules, 2021, as amended and the relevant provisions of the Companies Act, 2013 under historical cost convention on accrual basis. Accounting policies not referred to otherwise are in accordance with generally accepted accounting principles in India.

The accounting policies adopted in the preparation of the standalone financial statements are consistent with those of previous year unless otherwise stated.

b. Use of Estimates

The preparation of the standalone financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of The standalone financial statements and the results of operations during the reporting period. Examples of such estimates include provisions for doubtful debts and advances, future obligations under employee retirement benefit plans, useful lives of property, plant and equipment, contingencies, etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Classification of Assets and Liabilities as Current and Non Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

d. Property, plant and equipment and investment properties

Property, plant and equipment and investment properties are stated at cost, less accumulated depreciation and impairment loss (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure on property, plant and equipment and investment properties after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the assets reliably.

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

e. Intangible Assets

Intangible Assets acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Subsequent expenditure on intangible asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the asset reliably. The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

f. Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceeds recoverable amount. Reversal of impairment losses recognized in prior periods is recorded when there is an indication that the impairment losses, recognized for the assets, no longer exists or have decreased.

g. Depreciation and amortization

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation.

SN Assets	Useful life as per technical assessment/ management estimate	Useful life as per Companies Act
1 Plant and Machinery	25 years [on double shift]	15 years [on single shift]
2 Roads	10 years	3 years

Depreciation on addition to or on disposal of property, plant and equipments are calculated on pro rata basis. Addition to property, plant and equipments costing less than or equal to ₹ 5,000 are depreciated fully in the year of purchase. Leasehold land has been amortised over the lease period.

Amortisation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over useful life or five years, whichever is lower. Subsequent expenditure on intangible asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measure and attributed to the asset reliably.

h. Borrowing Costs

Borrowing costs relating to acquisitions/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

i. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. The Company provides for diminution other than temporary in the value of Non-Current Investments.

j. Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of manufactured finished goods and work-in-progress is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of materials are computed on FIFO basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

k. Revenue Recognition

(i) Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and to the extent that it is probable that economic benefit will flow to the Company and it can be reliably measured and is recognized when reasonable certainty about its realisation exists. Revenue is reported net of trade discount, sales returns and taxes on sales and in accordance with the terms of contracts entered into with the customers, if any. Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

(ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividend

Dividend income on investments is accounted, when the right to receive the payment is established.



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NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iv) Others

Other incomes are recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Accordingly service income from transportation are recognized to the extent it relates to services are completed during the year.

l. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

m. Leases

Where the Company is the Lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

n. Employee Benefits

(i) All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, short term compensated absences are recognized in the period in which the employee renders the related service.

(ii) Contributions paid/payable to defined contribution plan comprising of provident fund is charged on accrual basis. The company makes monthly contribution and has no further obligations under the plan beyond it's contributions.

(iii) Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The defined benefit/obligation is calculated at each balance sheet date by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

(iv) As per leave policy of the Company, the accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is defined benefit scheme, is provided based on actuarial valuation at each balance sheet date, based on Projected Unit Credit, carried out by an independent actuary.

o. Taxation

Tax expense comprises Current Tax and Deferred Tax. Current Tax are measured at the amount expected to be paid in accordance with Income tax Act, 1961. Deferred Taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets on items other than unabsorbed depreciation and carry forward tax losses, are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward tax losses, entire deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable income. At each balance sheet date the Company re-assesses deferred tax assets.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.



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p. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated..

q. Foreign Exchange transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Outstanding foreign currency monetary items at year end are reported using the closing rate.

(iii) Exchange Difference

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous the standalone financial statements, are recognized as income or as expenses in the year in which they arise.

r. Government Grant/Subsidy

Subsidies from the Government are recognized when there is a reasonable assurance that (i) the Company will comply with the conditions attached to them and (ii) when there is no uncertainty on ultimate collection of such grant/ subsidy. Where a grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related assets. Other government grants or subsidies are credited to Statement of Profit and Loss or adjusted from related expenses.

s. Provisions, Contingent Liability and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to The standalone financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in The standalone financial statements. Contingent assets are neither recognised nor disclosed in The standalone financial statements.

t. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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



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(₹ in Lakhs)

30 Contingent liabilities & Commitments [to the extent identified by the management]

	As at March 31, 2023	As at March 31, 2022
A. Contingent Liabilities not provided for in respect of :		
- Demand for Income tax, being contested by the Company	1,363.73	1,250.49
Note : The Company has reviewed all its pending litigations and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statement. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.		
B. In earlier years, the Vevant Cement Works Pvt Ltd. (amalgamated company) has given corporate guarantee to a bank for loan to the extent of ₹ 500 Lakhs obtained by a relative of director against which the balance outstanding as on March 31, 2023 is Nil (Previous year ₹ 411.42 lakhs) and has been closed during the year.		
C. During the year, the Company has given corporate guarantee to a bank for credit facility of ₹ 3200 Lakhs availed by a related party namely M/s Hygiene Plus Private Limited against which the balance outstanding as on March 31, 2023 was ₹ 1551.88 lakhs (Previous year ₹ 1893.97 lakhs).		
D. Capital Commitment	-	-

31 Earnings Per Share (EPS)

		For the year ended March 31, 2023	For the year ended March 31, 2022
A Earnings Per Share (EPS)			
Profit attributable to Equity Shareholders	₹ in Lakhs	1,008.42	994.52
No of shares at the beginning of the year	Numbers	7,45,69,650	74,56,965
Add : Adjustment due to split of shares [face value ₹ 100 to ₹ 10]	Numbers	-	6,71,12,685
No of shares at the end of the year	Numbers	7,45,69,650	7,45,69,650
Weighted Average Number of Equity Shares	Numbers	7,45,69,650	7,45,69,650
Basic Earnings Per Share of ₹ 10 each	₹	1.35	1.33
Diluted Earnings Per Share of ₹ 10 each	₹	1.35	1.33

32 In the opinion of the Board of directors, any of the assets other than property, plant and equipments, intangible assets and non current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

33 Assets taken under Operating leases:

Office premise was obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 11 months and are renewable at the mutual agreement of both the parties. The aggregate lease rentals accounted are charged as "Rent" in Note No. 27 of The standalone financial statements.

34 Segment Reporting

The Company's activities falls with a single primary business segment viz "Cement". The business activity of the Company falls within one geographical segment which is within the country. Hence, the disclosure requirement of 'Segment Reporting' is not considered applicable.



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(₹ in Lakhs)

35 Related Party Disclosure (to the extent identified by the Company) :

In accordance with the requirements of Accounting Standard – 18 on "Related Party Disclosures" as referred in the Companies (Accounting Standard) Rules, 2021, related party transactions have been disclosed as identified and certified by management are as follows:

I. Name & Relationship of the of Related Parties

A Promoters

Nupoor Kanodia Beneficiary Trust*
Trish Kanodia Beneficiary trust*
Mr. Vishal Kanodia

B Wholly Owned Subsidiary Companies

Kanodia Infratech Limited (subsidiary w.e.f. 29.09.2021 and wholly owned subsidiary w.e.f. 01.07.2022)
Kanodia Cem Private Limited (subsidiary w.e.f. 04.05.2021 and wholly owned subsidiary w.e.f. 01.07.2022)

C Key Management Personnel

Mr. Vishal Kanodia	Managing Director
Mr. Manoj Kedia	Director
Mr. Saurabh Lohia	Director
Anup Kumar Singh	CFO
Shikha Mehra Chawla	Company Secretary

D Relatives of Key Management Personnel (where transactions took place)

Mrs. Manju Devi Kanodia	Mother of Mr. Vishal Kanodia
Mrs. Khushboo Kanodia	Wife of Mr. Vishal Kanodia
Mr. Gautam Kanodia	Brother of Mr. Vishal Kanodia
Mrs. Swati Kanodia	Wife of Mr. Gautam Kanodia
Vishal Kanodia HUF	Mr. Vishal Kanodia is Karta of HUF
Gautam Kanodia HUF	Mr. Gautam Kanodia is Karta of HUF
Mrs. Soniya Lohia	Wife of Mr. Saurabh Lohia

E Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (where transactions took place)

Kanodia Business Private Limited (Amalgated with M/s Midpoint Commodore Private Limited w.e.f. appointed date i.e. 01.04.2021 effected from 16.11.2022)
Hygiene Plus Private Limited
Blossom Realcon Private Limited
Neo HBM Private Limited
Fair Hygiene Private Limited
Sapna Sudhansh Infosystem Private Limited
Shree Shyam Services (a proprietorship firm)
Anadi Infotainment Private Limited
Trends Advisory Private Limited



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NOTES ANNEXED TO AND FORMING PART OF STANDALONE FINANCIAL STATEMENTS

II. The following transactions were carried out during the year in the ordinary course of business.

(₹ in Lakhs)

Related Party and Nature of Transactions		For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Kanodia Infratech Limited	Sale of goods	4.39	1.00
	Supply of services	624.07	388.09
	Purchases of goods	0.77	28.69
	Interest on unsecured loan	-	14.31
	Loan given	-	4,572.24
	Loan received back	-	4,914.34
	Loan borrowed	19,682.07	8,208.97
	Loan repaid	16,698.91	8,171.99
In Current Year, ₹ 246.67 (Previous year- Nil) accrued on loan borrowed has been waived off by Kanodia Infratech Limited			
(b) Kanodia Cem Private Limited	Supply of services	133.23	20.00
	Sale of goods	45.17	13.73
	Sale of Fixed Asset	1.20	-
	Purchases of goods	8.17	-
	Sale of lands	-	171.25
	Reimbursement of expenses (paid)	-	2.20
	Loan given	13,434.46	7,365.64
	Loan received back	7,572.01	1,194.46
	Loan borrowed	-	3,244.06
	Loan repaid	-	3,244.06
Apart from above, interest of ₹ 630.49 Lakhs (previous year 191.69 Lakhs) accrued on loan given has been waived off during the year.			
(c) Hygiene Plus Private Limited	Loan given	3,354.10	5,143.11
	Loan received back	4,495.30	7,474.90
	Loan borrowed	1,702.50	-
	Loan repaid	379.90	-
	Corporate guarantee given [without charging guarantee commission]	3,200.00	3,200.00
Apart from above, net interest of ₹ 173.01 Lakhs (previous year ₹ 265.18 Lakhs) accrued on loan given/borrowed has been waived off during the year.			
(d) Blossom Realcon Private Limited	Loan given	-	13.50
	Loan received back	248.55	-
Apart from above, interest of ₹ 19.94 Lakhs (previous year ₹ 20.12 Lakhs) accrued on loan given has been waived off during the year.			
(e) Anadi Infotainment Private Limited	Loan given	-	20.10
	Loan received back	-	20.10
Apart from above, interest NIL (Previous Year ₹ 0.35 Lakhs) accrued on loan given has been waived off during the year.			
(f) Fair Hygiene Private Limited	Loan given	-	1.20
	Loan received back	30.80	-
	Loan borrowed	-	-
	Loan repaid	-	-
Apart from above, interest of ₹ 2.03 Lakhs (Previous Year ₹ 2.50 Lakhs) accrued on loan given has been waived off during the year.			
(g) Trends Advisory Private Limited	Loan repaid	-	73.90
(h) Kanodia Business Private Limited	Loan given	-	288.10
	Loan received back	-	472.45
	Loan borrowed	306.10	-
	Loan repaid	306.10	-
Apart from above, net interest of ₹ 11.30 Lakhs (Previous Year ₹ 0.95 Lakhs) accrued on loan borrowed/given has been waived off during the year.			
(i) Sapna Sudhansh Info System Private Limited	Rent expense	24.00	24.00
	Security deposit given	-	180.18
	Security refunded received	371.65	144.10
(j) Mr. Vishal Kanodia	Remuneration paid	18.00	18.00
	Purchases of Intangible asset	2.00	-
	Purchases of Fixed asset	1.35	-
	Amount received against outstanding balances in amalgamating companies (Refer Note no 37)	-	123.70
	Purchases of equity shares of subsidiary companies	7.93	386.09
	Loan borrowed	-	-
	Loan repaid	-	6.81
	Guarantee given for loan availed by the company	-	-

refer note 7.1¹ refer note 7.1



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(₹ in Lakhs)

Related Party and Nature of Transactions		For the year ended March 31, 2023	For the year ended March 31, 2022
(k) Mr. Manoj Kedia	Remuneration paid	5.00	3.00
	Remuneration paid in advance	-	1.85
	Refund received against old outstanding	-	1.25
(l) Saurabh Lohia	Remuneration paid	9.00	9.00
	Purchases of equity shares of a subsidiary company	0.02	0.15
	Guarantee given for loan availed by the company	refer note 7.1	refer note 7.1
(m) Gautam Kanodia	Purchases of equity shares of a subsidiary company	-	292.91
(n) Swati Kanodia	Purchases of equity shares of a subsidiary company	-	204.61
	Advance against purchase of land refunded	-	15.65
	Advance against purchase of land	-	-
	Loan borrowed	-	-
(o) Khushboo Kanodia and Shree Shyam Services	Rent paid	30.00	120.00
	Purchases of equity shares of a subsidiary company	7.70	214.20
	Security deposit refunded back	-	6.00
	Advance against purchases of equity shares of a subsidiary company	-	-
	Security deposit given	-	-
(p) Vishal Kanodia HUF	Purchases of equity shares of a subsidiary company	7.76	369.36
	Amount refunded	-	25.05
	Loan borrowed	-	-
(q) Manju Devi Kanodia	Purchases of equity shares of a subsidiary company	7.70	161.34
	Advance received against purchases of property, plant and equipments	-	-
	Interest paid on advance received against property, plant and equipments	-	-
	Advance against purchases of property, plant and equipments refunded	-	136.00
(r) Gautam Kangdia HUF*	Advance received against sale of land	-	26.40
	Refund of advance received against sale of land	-	10.60
	Loan borrowed	-	-
(s) NEO HBM Private Limited	Loan given	730.05	-
	Loan received back	730.05	-
	Loan borrowed	627.30	-
	Loan repaid	491.33	-
	Sale of Goods	888.04	-
	Supply of Service	0.10	-
	Service Received	868.31	-
	Purchase of Goods	7.30	-
Apart from above, net interest of ₹ 1.35 Lakhs (Previous year - Nil) accrued on loan given/borrowed has been waived off during the year.			
(t) Soniya Lohia	Purchases of equity shares of a subsidiary company	0.02	-



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III Closing Balances :	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Kanodia Infratech Limited		
-Loan receivable	-	-
-Trade receivable	-	66.26
-Loan payable	3,033.03	49.85
Kanodia Cem Private Limited		
-Loan receivable	12,413.31	6,550.86
-Trade receivable	-	150.34
-Trade Payables	3.24	-
NEO HBM Private Limited		
-Loan receivable	-	-
-Loan payable	135.97	-
Hygiene Plus Private Limited		
-Loan receivable	-	1,141.19
-Loan payable	1,322.61	-
-Also refer note 30(C) of the financial statements.		
Blossom realcon Private Limited		
-Loan receivable	-	248.55
Fair Hygiene Private Limited		
-Loan receivable	-	30.80
Sapnasudhansh Info System Private Limited		
-Security deposits receivable	-	371.66
-Trade Payables	26.97	-
Trends Advisory Private Limited		
-Loan payable	6.10	6.10
Mr. Vishal Kanodia		
-Receivable against advance given for purchases of equity shares of a subsidiary company	-	-
-Payable against purchases of equity shares of subsidiary companies	49.94	144.12
-For guarantees, refer note 7.1 of the financial statements.		
Manoj Kedia		
-Advance salary paid	-	1.85
-Advance for supply	-	-
Saurabh Lohia		
-Salary Payable	-	1.29
-For guarantees, refer note 7.1 of the financial statements.		
Gautam Kanodia*		
-Receivable against advance given for purchases of equity shares of a subsidiary company	-	-
-Payable against purchases of equity shares of a subsidiary company	-	105.51
Swati Kanodia		
-Payable against advance received for sale of land	-	-
-Payable against purchases of equity shares of a subsidiary company	-	204.61
Khushboo Kanodia / Shree Shyam Services		
-Receivable against advance given for purchases of equity shares of a subsidiary company	-	-
-Trade payable (Shree Shyam Services)	-	63.90
-Payable against purchases of equity shares of a subsidiary company	-	13.00
-Security deposits receivable	-	193.15
-Also refer note 30(B) of the financial statements.		
Vishal Kanodia HUF*		
-Amount receivable against amalgamation	-	-
-Payable against purchases of equity shares of a subsidiary company	-	369.36
Manju Devi Kanodia*		
-Payable against advance received for sale of land	-	-
-Payable against purchases of equity shares of a subsidiary company	-	161.34
Gautam Kanodia HUF*		
-Payable against advance received for sale of land	-	26.40



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(Rs. in Lakhs)

36 Employment Benefit

As per Accounting Standard 15 (R) "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards Provident Fund which is a defined contribution plan. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards such contribution to Provident Fund for the year is included in "Employee benefits expense".

The Company has recognised the following amounts in the Statement of Profit and Loss :

	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to Provident and Other funds	13.30	4.52

(b) Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following tables summarises the components of net benefit expense recognised in the Profit and Loss Statement and the funded status and amounts recognised in the balance sheet for the plan (based on Actuarial Valuation) :-

a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	4.60	3.18
Current service cost	5.01	1.95
Interest cost	0.34	0.22
Benefits paid	-	0
Actuarial (gains) / losses on obligation	(0.88)	(0.75)
Closing defined benefit obligation	9.06	4.60

b) The Company has plan assets amounting of Rs.2.45 Lakhs (Previous year - Nil)

c) A reconciliation of the present value of the DBO and the fair value of the plan assets to the assets recognised in the balance sheet:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of defined benefit obligation at the end of the period	9.06	4.60
Fair value of the plan assets at the end of the year	2.45	-
Asset/(Liability) recognized in the balance sheet	(6.61)	4.60

d) The total expense recognised in the Statement of Profit and Loss:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	5.01	1.95
Interest cost	0.34	0.22
Expected return on plan assets	(0.17)	-
Actuarial (gains)/loss	(0.87)	(0.75)
Recognition of Opening Benefit Obligation	-	3.18
Net benefit expense	4.30	4.60
Actual return on plan assets	0.16	Nil



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e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Investments with insurer	100%	Not Applicable

f) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.51% per annum	7.29% per annum
Expected rates of return on any plan assets	7.29% per annum	Not Applicable
Average Salary escalation rate	8.00% per annum	8.00% per annum
Average remaining working life of the employees (years)	21.37 Years	23.69 years
The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant		

g) Disclosure under para 120(n) amounts for the current and previous four periods are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present Value of obligation at the end of the year	9.06	4.6
Fair value of plan assets at the end of the year	2.45	0
Funded Status	(6.61)	-4.6
Actuarial (Gain)/loss in PBO	(0.88)	-0.75
Actuarial (gain)/loss for the year-Plan Assets	0.01	Not Applicable

h) Expected contributions for the next financial year :

	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected contributions for the next financial year	5.34	2.17

i) Experience History

Particulars	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23
Present Value of obligation at the end of the year	Not Available	1.42	3.18	4.60	9.06
Fair value of plan assets at the end of the year	Not Available	-	-	-	2.45
Funded Status	Not Available	(1.42)	(3.18)	(4.60)	(6.61)
Actuarial (Gain)/loss in PBO	Not Available	-	0.02	0.75	0.88
Actuarial (gain)/loss for the year-Plan Assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.01

j) Actuarial Valuation Assumptions

The Principal actuarial assumptions considered in the valuation were :

Economic Assumptions : The discount rate and salary increase rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate : The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

Salary Escalation Rate : The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long-term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Attrition Rate / Withdrawal Rate : Past experience indicates the current level of attrition. The assumption may incorporate the company's policy towards retention of employees, historical data & industry outlook.

Mortality Rate : Mortality Table (IALM) 2012-2014, as issued by Institute of Actuaries of India, for the valuation.



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(₹ in Lakhs)

37 Scheme of Arrangement - Amalgamation of the following companies with the Company

National Company Law Tribunal (NCLT) of Judicature at Allahabad Bench vide their order dated January 13, 2021 sanctioned the Scheme of Arrangement between Sargam Dealers Private Limited, Maharaja Retailers Private Limited, Rinam trading Private Limited, Bluestar Cement Limited, Vevant Cement works Private Limited and Rinam Dealmark private Limited (All together "Transferor Company") with Kanodia Cement Limited ("Transferee Company") and their respective shareholders and creditors, pursuant to the provisions of section 230 to 232 and other provisions of the Companies Act, 2013 ("the Scheme") for the amalgamation of the transferor with the transferee. The Scheme became effective upon filing of certified copies of the Orders of the National Company Law Tribunal of Judicature at Allahabad Bench to Registrar of Companies, on January 13, 2021 with effect from appointed date i.e. April 1, 2019.

The Scheme has appointed date i.e. April 1, 2019 which, inter alia, provides for the amalgamation of Transferor Company and Transferee Company and upon the Scheme becoming effective, the business of the transferor stand transferred to and vested in the Transferee Company with effect from appointed date as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein, subject to any existing lien or lis pendens, which shall be deemed to be modified subject to the provisions of the Scheme.

38 Disclosure u/s 186(4) of the Companies Act 2013

Details pursuant to disclosure requirements of section 186(4) of the Companies Act 2013 relating to loans/guarantee given or security provided or investment made by the Company:

SN	Particulars	Loan Given / Security Provided during the year ended 31st March 2023	Balance of Loan Given / Security Provided as on 31st March 2023	Loan Given / Security Provided during the year ended 31st March 2022	Balance of Loan Given / Security Provided as on 31st March 2022	Rate of Interest (Per Annum)	Purpose	Maturity Period
(I)	Hygiene Plus Private Limited	3354.10	0.00	5,143.11	1,141.19	8.25%	Business	Repayable 5 years from date of disbursement.
(II)	Kanodia Cem Private Limited	13434.46	12413.31	7,365.64	6,550.86	8.25%	Business	Repayable 5 years from date of disbursement.
(III)	Fair Hygiene Private Limited	-	-	1.20	30.80	8.25%	Business	Repayable 5 years from date of disbursement.
(IV)	Blossom realcon Pvt. Ltd.	-	-	13.50	248.55	8.25%	Business	Repayable 5 years from date of disbursement.
(V)	Anadi Infotainment Private Limited	-	-	20.10	-	8.25%	Business	Repayable 5 years from date of disbursement.
(VI)	Kanodia Business Private Limited	-	-	18.75	-	8.25%	Business	Repayable 5 years from date of disbursement.
(VII)	Neo HBM Private Limited	730.05	-	-	-	8.25%	Business	Repayable 5 years from date of disbursement.

39 Other disclosures

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Expenditure in foreign currency (accrual basis)	-	-
b. Earnings in foreign currency (accrual basis)	-	-
c. Value of imports calculated on CIF basis	-	-
d. Derivative instruments and unhedged foreign currency exposure	-	-

40 Imported and indigenous raw materials, components and spare parts consumed

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	₹ in Lakhs	% of total consumption	₹ in Lakhs	% of total consumption
a. Raw Materials and Packing Materials				
Imported	-	-	-	-
Indigenous	18,383.87	100.00%	19,083.68	100.00%
	18,383.87	100.00%	19,083.68	100.00%
b. Stores and spares				
Imported	-	0.00%	2.98	0.41%
Indigenous	461.63	100.00%	731.61	99.59%
	461.63	100.00%	734.59	100.00%



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41 Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason of Change (% change beyond 25%)
a) Current Ratio (Times)	Current Asset	Current Liability	2.33	1.48	57.73%	Due to decrease in current Liabilities and increase in Current Assets
b) Debt-Equity Ratio (Times)	Total Debt	Shareholder Equity	0.30	0.04	637.59%	Due to increase in borrowings.
c) Debt Service Coverage Ratio (Times)	Earnings available for debt service	Debt Service	7.87	5.85	34.51%	Due to increase in Earnings available for debt service
d) Return on Equity Ratio	Profit after tax	Average Shareholder Equity	5.66%	5.75%	-1.47%	
e) Inventory turnover ratio (Times)	Net Sales	Average Inventory	70.73	47.24	49.74%	Due to decrease in inventories
f) Trade Receivables turnover ratio (Times)	Revenue from operations	Average Trade Receivables	13.49	11.76	14.72%	
g) Trade payables turnover ratio (Times)	Net Credit Purchases	Average Trade Payables	12.74	14.20	-10.25%	
h) Net capital turnover ratio (Times)	Revenue from operations	Average Working Capital	11.33	7.80	45.26%	Due to decrease in Average working capital
i) Net profit ratio	Net Profit after Tax	Revenue from operations	3.18%	3.20%	-0.64%	
j) Return on Capital employed	Earning before interest and tax	Average Capital Employed	8.08%	9.73%	-16.94%	
k) Return on investment	Income received on Loans, FDRs and investments	Average of Loans, FDRs and investments	0.62%	0.57%	10.44%	

42 Corporate Social Responsibility (CSR)-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent during the year	16.95	-
Amount spent during the year	16.95	-
(Excess) / Shortfall for the year	-	-
Total of previous years shortfall [net]	-	-
Excess amount spent shall be set off against subsequent years obligation	-	-
Details of related party transactions such as Contribution to trust controlled by the	-	-
Where a provision is made with respect to a liability incurred by entering into a	-	-
Nature of CSR activities:	-	-
Plantation and prevention of environment pollution (Ensuring environmental sustainability and ecological balances)	16.95	-
Reason for shortfall	Not Applicable	Not Applicable

During the year, the Company has paid a donation of Rs. 16.95 Lakhs to Akashiganga Foundation (Foundation) for spending in its ongoing CSR projects on behalf of the Company. As confirmed by the Foundation, the said fund has not been utilised upto March 31, 2023 and will be utilised in subsequent period as capital expenditure in its ongoing CSR projects on ensuring environmental sustainability and ecological balances.

43 Registration of Charges or satisfaction with Registrar of Companies (ROC)

The company does not have any charges or satisfactions yet to be registered with the registrar of the companies beyond the statutory period as on March 31, 2023. However, as on March 31, 2022, the Company does not have any charges or satisfactions yet to be registered with the registrar of the companies beyond the statutory period except the following:-

Assets under charge	Banker Name	Date of Creation	Date of Modification	Amount (₹ Lakhs)	Remarks
Floating charge; Creation of Lien on Deposit	HDFC Bank Limited	11-12-2017	11-12-2017	239.68	This charge stands satisfied as on March 31, 2023.

44 Compliance with approved Scheme(s) of Arrangements

There was no scheme of arrangement filed during the year and previous year and the Company has complied with Scheme of arrangement approved in earlier year.

45 Details of Benami Property held

During the current year and previous year, there are no proceedings which have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Properties Transactions Act, 1988 and rules made thereunder.

46 Wilful Defaulter

During the current year and previous year, the Company has not been declared as wilful defaulter by any bank or financial institution or other Lender.

47 Relationship with Struck off Companies

During the current year and previous year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013.

48 Compliance with number of layers of companies

During the year, the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.



M/S KANODIA CEMENT LIMITED
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49 Utilisation of Borrowed funds and share premium

During the financial year ended March 31, 2023, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable,

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") during the year and previous year, 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,

(ii) During the year, Company has received Rs 2983.17 Lakhs from a subsidiary, Kanodia Infratech Limited (CIN- U74900UP2010PLC039750) having its registered office at A-21, Sector-16, Gautam Budha Nagar, Noida, Uttar Pradesh (India) 201301. The Company further provided loans of Rs. 2983.17 Lakhs to another subsidiary, Kanodia Cem Private Limited (CIN- U26999UP2019PTC122527) having its registered office Gate No.1140,1142, Village-Nagardeeh, Post-Bhadar, Amethi, Sultanpur Uttar Pradesh 227405. However, the Company has not received this money with the intention to provide loans to Kanodia Cem Private Ltd. The Company has complied with relevant provisions of the Companies Act, 2013 for this transaction and the transaction is not violative of the Prevention of Money-Laundering Act, 2002. There was no such transaction during the previous year.

50 Undisclosed Income

During the year and previous year, the Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous year.

52 Other additional amendments under Schedule III

i. The Company does not have any Capital work in Progress and Intangible asset under development.
ii. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group has no CIC as part of the Group.
iii. The Company having borrowing facilities from a bank on the basis of security of current assets which have been closed during the year, the amount shown in quarterly returns or statements for the June and September quarter were derived from the unaudited and provisional books of account. The details with respect to trade receivable and trade payable submitted in statement for the quarter ended June 30, 2022 and September 30, 2022 are in agreement with books of account, however, inventory valuations are not maintained in books of account therefore management has calculated manually and submitted with the bank. As regards the disclosure of discrepancies, if any, envisaged to be disclosed as part of additional information were not made due to the unfinished summary of reconciliation in this regard. However, the management of the company does not foresee any reasons for material discrepancies nevertheless figures submitted in quarterly returns or statements were provisional and unaudited in nature and subject to reconciliation.

53 The Company has passed various special resolutions to increase limits u/s 180(1)(a), 180(1)(c), 185 and 186 of the Companies Act, 2013 during the previous year. The Company has regularised these delays in due course.

54 Previous year figures and opening balances have been considered as per accounts audited by previous year auditor. Previous year figures have been regrouped / rearranged wherever necessary to conform current year's figure.

For and on behalf of Board of Directors

As per our report of even date attached
For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani
Partner

Membership Number: 088926



Vishal Kanodia

Vishal Kanodia
Managing Director
DIN: 00946204

Shikha Mehra Chawla
Company Secretary



Manoj Kedia
Director
DIN: 03626814

Satvinder Kesh
Chief Financial Officer

Place : Noida (Delhi-NCR)
Date: September 30, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Kanodia Cement Limited

Report on the Audit of the consolidated financial statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Kanodia Cement Limited ("the Holding Company") and its wholly owned subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss 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 March 31, 2023, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for qualified Opinion

- (i) The Group has not accounted for SGST subsidy income of Rs. 796.61 lakhs under VAT Reimbursement - Bihar Industrial Incentive Policy 2011 as in the opinion of the management, there is no certainty about its quantum and realization. This has consequent impact on the profit for the year and reserve and surplus as at the year end to the extent amount not accounted for.
- (ii) The Company has waived interest of Rs 203.62 Lakhs on loan granted to related parties which is not in compliance with Section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Holding 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.



Emphasis of Matter

We draw attention to note no. 28 of the consolidated financial statements regarding a case filed by a customer against a Subsidiary Company for alleged breach of contractual terms which has been disputed by the Subsidiary Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Subsidiary Company liable to pay principal sum of Rs 4,983.87 Lakhs and interest thereon. The Subsidiary Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favor of the Subsidiary Company by set aside the award of Rs 400 Lakhs. The Subsidiary Company has further challenged the matter before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Subsidiary Company has accounted for liability for principal amount aggregating Rs 4,559.88 Lakhs (including Rs 94 lakhs towards arbitration costs) in earlier years. Principal amount of Rs 118 lakhs and interest of Rs 6428.44 lakhs have not been accounted for and shown as contingent liability in the consolidated financial statements. The Subsidiary Company's legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

Other Information

The Holding Company's management and Board of Directors are responsible for 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

We did not audit the financial statements of one subsidiary, whose financial statements include total assets of Rs. 23,676.46 Lakhs as at March 31, 2023, revenues from operations of Rs. 13,205.33 Lakhs, total net profit after tax of Rs. 1,617.22 Lakhs, and net cash inflows of Rs. 53.78 Lakhs for the year ended on that date. These financial statements have been audited by other auditor, whose unmodified reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures as required by Section 143(3) of the Act included in respect of these subsidiary is based solely on reports of the other auditor.

Responsibilities of Management for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended. This responsibility also includes 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 appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the Company and of its subsidiaries are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance 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.



Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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, 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the Directors of the Holding Company and a subsidiary company audited by us as on March 31, 2023 taken on record by the respective Board of Directors of the Holding Company and aforesaid subsidiary company and in case of one subsidiary company based on the reports of the Statutory Auditors of that subsidiary company, 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 with reference to financial reporting of the Group with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section.
 - (h) The matters described in the "Basis of Qualified Opinion" paragraph above, in our opinion may have no adverse effect on the functioning of the group.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements- Refer Note 28 to the consolidated financial statements;


- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There was no amount which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. a. The management of respective companies in the group have represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Companies within the Group to or in any other persons or entities, including foreign entities ("Intermediaries") during the year, with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Companies within the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b. The management of respective companies in the group have represented, that, to the best of its knowledge and belief, no funds have been received by the Companies within the Group from any persons or entities, including foreign entities ("Funding Parties") during the year, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The Holding Company and its Subsidiaries have not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Holding Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company with effect from April 1, 2023, and accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 is not applicable for the financial year ended March 31, 2023.



- (j) In our opinion and according to the information and explanations given to us, remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is in accordance with the provisions of section 197 read with schedule V to the Act.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E




Bimal Kumar Sipani
Partner

Membership No. 088926

UDIN: 23088926BGXBLF8341

Date: September 30, 2023

Place: Noida (Delhi – NCR)


Annexure A to Independent Auditor's Report of even date to the members of Kanodia Cement Limited on the consolidated financial statements as of and for the year ended March 31, 2023 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)

Based on the audit report submitted by the auditors of following respective companies included in the consolidated financial statements, there have been adverse remarks in the following clause by respective auditors in the Companies (Auditor's Report) Order (CARO) Report.

S.no.	Name	CIN	Holding/ Subsidiary	Clause no. of the CARO report which is qualified or adverse
1.	Kanodia Cement Limited	U36912UP2009PLC037903	Holding Company	(i)(a)(A), (i)(b), (i)(c), (ii)(a), (ii)(b), (iii)(b), (iv), (vii)(a)
2.	Kanodia Infratech Limited	U74900UP2010PLC039750	Subsidiary	(i)(a)(A), (i)(b), (i)(c), (ii)(a), (iii)(b), (iv), (vii)(a)
3.	Kanodia Cem Private Limited	U26999UP2019PTC122527	Subsidiary	(i)(a)(A)

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E




Bimal Kumar Sipani
Partner

Membership No. 088926

UDIN: 23088926BGXBLF8341

Date: September 30, 2023

Place: Noida (Delhi – NCR)

Annexure B to Independent Auditor's Report of even date to the members of Kanodia Cement Limited on the consolidated financial statements for the year ended March 31, 2023(Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

We have audited the internal financial controls with reference to consolidated financial statements of Kanodia Cement Limited ('the Holding Company') and its subsidiaries as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company and its subsidiaries' management is responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Companies within the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to consolidated financial statements 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") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to consolidated financial statements included obtaining an understanding of Internal Financial Controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 qualified audit opinion on the Group's internal financial controls system with reference to consolidated financial statements

Meaning of Internal Financial Controls with reference to consolidated financial statements

The Group's Internal Financial Controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. The Group's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies within the Group are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Group has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Group 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 however the same needs to be further strengthened.



Emphasis of Matter

We draw attention that the Companies within the Group has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

Explanatory Statement

The weakness in operating effectiveness of internal financial control system as stated in 'Emphasis of Matter, was considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended March 31, 2023 and this report does not affect our report dated September 30, 2023, which expressed a qualified opinion on those consolidated financial statements.

Other Matter


Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, which are company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our Opinion is not modified in respect of this matter.

Date: September 30, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E


Bimal Kumar Sipani

Partner

Membership No. 088926

UDIN:23088926BGXBLF8341

M/S KANODIA CEMENT LIMITED
CIN NO.: U36912UP2009PLC037903
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(₹ in Lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	7,456.97	7,456.97
(b) Reserves and surplus	2	20,213.99	15,149.16
(2) Minority interest		-	72.04
(3) Non-current liabilities			
(a) Long-term borrowings	3	7,921.17	10,805.63
(b) Deferred tax liabilities(net)	4	2,180.21	1,727.57
(c) Other long term liabilities	5	595.03	1,606.08
(d) Long term provisions	6	7.01	27.56
(4) Current liabilities			
(a) Short-term borrowings	7	161.10	1,035.69
(b) Trade payables	8		
total outstanding due to micro and small enterprises		9.34	2.93
total outstanding due to other than micro and small enterprises		6,269.39	3,845.65
(c) Other current liabilities	9	5,940.45	7,488.44
(d) Short-term provisions	10	25.58	1,290.41
Total		50,781.24	50,508.13
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	11A	34,355.87	17,328.46
(ii) Intangible assets	11B	2.48	0.56
(iii) Capital work-in-progress	11C	11.66	16,615.90
(iv) Intangible assets under development		-	-
(b) Goodwill on consolidation		-	0.06
(c) Non-current investments	12	284.02	353.55
(d) Long-term loans and advances	13	427.98	1,885.58
(e) Other non-current assets	14	723.24	1,216.75
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	15	2,613.72	941.03
(c) Trade receivables	16	5,570.27	5,254.82
(d) Cash and bank balances	17	1,881.68	998.19
(e) Short-term loans and advances	18	4,466.84	3,713.68
(f) Other current assets	19	443.48	2,199.55
Total		50,781.24	50,508.13

Contingent liabilities and commitments 28.1

Significant accounting policies and other notes to consolidated financial statements 1-28

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For Singhi & Co.,

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani

Partner

Membership Number: 088926



Vishal Kanodia

Vishal Kanodia
Managing Director
DIN: 00946204

Shikha Mehra Chawla
Company Secretary

For and on Behalf of the Board

Manoj Kedia
Director
DIN: 03526814

Satyaprakash
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 30, 2023

M/S KANODIA CEMENT LIMITED
CIN NO.: U36912UP2009PLC037903

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Lakhs, except EPS)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	20	65,839.53	48,891.05
II Other Income	21	265.91	290.04
III Total revenue (I+II)		66,105.44	49,181.09
IV EXPENSES:			
Cost of materials consumed	22.0	43,132.11	30,599.27
Purchase of stock-in-trade	22.1	5,228.21	3,927.53
Changes in inventories of finished goods, work in progress and stock-in-trade	23	(442.77)	(94.19)
Employee benefits expense	24	1,100.48	646.55
Finance costs	25	129.82	175.15
Depreciation and amortisation expense	11A	1,601.62	1,039.51
Other expenses	26	8,438.04	7,176.99
Total expenses		59,183.51	43,470.81
V Profit before exception items and tax (III-IV)		6,921.93	5,683.01
VI Exception items [expense/(income)]	25.1	-	110.00
VII Profit before tax and minority interest(V-VI)		6,921.93	5,573.01
VIII Tax expense:			
(1) Current tax			
- Current year		1,292.52	1,398.26
- Related to earlier years		9.24	8.96
(2) Deferred tax charge/(credit) (net)			
- Current year		452.63	147.01
- Related to earlier years		-	1,002.07
(3) Mat credit- Utilised		63.45	-
(4) Mat credit- Written off		80.14	-
IX Profit for the year before pre-acquisition profit and minority interest etc (VII-VIII)		5,023.96	3,016.71
Less: Pre-acquisition profit			
Pre-acquisition profit transferred to capital reserve on consolidation	27.1 (c)	-	1,009.28
Pre-acquisition loss transferred to goodwill on consolidation	27.1 (c)	-	(0.62)
Share of Minority Interest on pre-acquisition profit/(loss)		-	10.13
X Profit for the year		5,023.96	1,997.92
XI Profit attributable to minority interest		9.98	10.13
XII Profit attributable to the owners of the parent company (X-XI)		5,013.98	1,987.79
XIII Earning per equity share [having face value of ₹ 10 each]	28.2		
- Basic and diluted		6.72	2.67

Significant accounting policies and other notes to consolidated financial statements

1-28

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani
Partner

Membership Number: 088926



Vishal Kanodia

Vishal Kanodia
Managing Director
DIN: 00946204

Shikha Mehra Chawla
Company Secretary

For and on Behalf of the Board



Manoj Kedia

Manoj Kedia
Director
DIN: 03526814

Satyaprakash
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 30, 2023

M/S KANODIA CEMENT LIMITED
CIN NO.: U36912UP2009PLC037903
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	6,921.95	5,573.01
Adjustments for:		
Depreciation and amortisation expense	1,601.62	1,039.51
Net loss / (profit) on sale of property, plant and equipment	101.20	-
Finance costs	129.82	175.15
Provisions no longer required written back	(16.81)	-
Bad debts	420.41	560.92
Advances written off	19.16	126.37
Net profit on sale of Non Current Investments	(25.64)	(5.40)
Interest income	(67.95)	(72.99)
Provision for permanent diminution of investment	25.11	-
Subsidy written off	94.75	-
Government subsidy income	(1,076.27)	(1,451.72)
Dividend income	(0.33)	(0.20)
Operating profit before working capital changes	8,127.02	5,944.66
Adjustments for :		
Trade and other receivables	(88.40)	(3,643.93)
Inventories	(1,672.69)	258.90
Trade and other payables	(349.65)	(58.75)
Cash generated from operations	6,016.29	2,500.87
Direct taxes paid	(2,699.73)	(128.44)
Net cash inflow / (outflow) from operating activities	3,316.55	2,372.43
B. Cash flow from investing activities		
Purchase of property, plant and equipments including payment for capital work in progress	(2,325.63)	(11,626.17)
Sale of property, plant and equipments	197.70	172.25
Investments in equity shares	(31.13)	(677.48)
Loan given	(4,084.15)	(5,466.01)
Loan received back	5,504.70	7,442.95
Sale of Non Current Investments	70.06	-
Dividend Income	0.33	-
Government subsidy received	1,556.79	1,483.82
Net (increase) / decrease in fixed deposits	(6.61)	3,014.69
Interest received	65.17	67.44
Net Cash inflow / (outflow) from investing activities	947.23	(5,588.50)
C. Cash flow from financing activities		
Proceeds from long term borrowings	8,611.14	4,141.09
Repayment of long term borrowings	(11,483.72)	(1,975.60)
Net proceeds / (repayment) of short term borrowings	(886.44)	886.44
Finance costs paid	(129.82)	(189.46)
Net cash inflow / (outflow) from financing activities	(3,888.84)	2,862.46
Net increase/(decrease) in cash and cash equivalents (A + B + C)	374.94	(353.61)
Opening balance of cash and cash equivalents	280.39	634.00
Closing balance of cash and cash equivalents	655.33	280.39
Cash and cash equivalents comprise :		
Cash on hand	75.51	60.11
Balance with schedule banks :		
In current accounts	579.82	206.50
In cash credit account	-	13.78

Note : (1) The above cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard 3- Cash Flow Statement.

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Bimal Kumar Sipani
Partner
Membership Number: 088926



Place: Noida (Delhi-NCR)
Date: September 30, 2023

For and on Behalf of the Board

Vishal Kanodia
Managing Director
DIN: 00946204
Shikha Mehra Chawla
Company Secretary



Manoj Kedia
Director
DIN: 03526814
Satyaprakash
Chief Financial Officer

M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

1 Share capital

Particulars	Note	As at	As at
		March 31, 2023	March 31, 2022
Authorised			
8,49,66,610 (Previous year 8,49,66,610) Equity Shares of ₹ 10/- each (Previous Year ₹ 10/- each)*		8,496.66	8,496.66
		8,496.66	8,496.66
Issued, subscribed and fully paid up			
7,45,69,650 (Previous year 7,45,69,650) Equity Shares of ₹ 10/- each fully paid-up (Previous Year ₹ 10/- each fully paid-up)*		7,456.97	7,456.97
		7,456.97	7,456.97

a) Reconciliation of number of equity shares outstanding

	Nos	Nos
Number of shares at the beginning of the year	7,45,69,650	74,56,965
Add : Issued during the year	-	-
Add : Adjustment due to split of shares [face value ₹ 100 to ₹ 10]*	-	6,71,12,685
Number of shares at the end of the year	7,45,69,650	7,45,69,650

* Pursuant to the special resolution passed in the extra-ordinary general meeting held on March 12, 2022, the face value of equity shares of the Holding Company has been split from ₹100 to ₹10 per share with effect from March 12, 2022.

b) Rights, preferences and restrictions attached with equity shares

The Company has only one class of equity shares having per value of ₹ 10 per share (Previous Year ₹ 10 each). Each holder of equity shares is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Holding Company (as per shareholders' register maintained by the Holding Company)

Shareholders' Name	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held (Nos)	Percentage of Holding	No. of Shares held (Nos)	Percentage of Holding
Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	3,09,30,200	41.48%
Trish Kanodia Beneficiary Trust	2,99,60,200	40.18%	2,99,60,200	40.18%
Vishal Kanodia	46,14,540	6.19%	46,14,540	6.19%
Gautam Kanodia	44,77,370	6.00%	44,77,370	6.00%

d) Details of promoters' shareholder holding

Shareholders' Name	As at March 31, 2023			As at March 31, 2022		
	No. of Shares held (Nos)	Percentage of Holding	% Change during the year	No. of Shares held (Nos)	Percentage of Holding	% Change during the year
Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-	3,09,30,200	41.48%	-
Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-	2,99,60,200	40.18%	-
Vishal Kanodia	46,14,540	6.19%	-	46,14,540	6.19%	-



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

2 Reserves and surplus

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(i) Securities premium			
Balance as per last financial statements		12,051.27	12,051.27
Balance at the end of the year		12,051.27	12,051.27
(ii) Capital reserve			
Balance as per last financial statements		4,314.74	-
Add: Reserve acquired on amalgamation		-	4,314.74
Add: Profit on Acquisition of Minority share		50.85	-
Balance as at the end of the year		4,365.59	4,314.74
(iii) Surplus in the Statement of Profit and Loss			
Balance as per last financial statements		(1,216.85)	(3,204.04)
Add: Profit for the year		5,013.98	1,987.79
Balance as at the end of the year		3,797.13	(1,216.85)
Total reserves and surplus (i to iii)		20,213.99	15,149.16

3 Long-term borrowings

Particulars	Note	Non-current portion	
		As at March 31, 2023	As at March 31, 2022
Secured			
Term Loans:			
(i) Vehicle loans from a bank	5.1	-	-
(ii) Term loans from Uttar Pradesh government	3.2	1,000.79	654.54
Total (A)		1,000.79	654.54
Unsecured			
(i) Loan from companies	3.3	5,461.22	-
(ii) Loans from related parties	3.4	1,614.16	10,151.09
Total (B)		7,075.38	10,151.09
Net Total		8,076.17	10,805.63
Less: Amount disclosed under head "Short-term borrowings"		155.00	-
Net Total		7,921.17	10,805.63

Security	Name of Lender	Repayment Terms	Rate of interest (Current year)	Rate of interest (Previous year)	As at March 31, 2023	As at March 31, 2022
Hypothecation in favour of HDFC bank limited against vehicle finance scheme.	HDFC Bank Limited	Truck Chassis and Body - starting from February 5, 2018 and October 20, 2018 - has been fully repaid (Previous year - to be repaid in 5 equal monthly instalments), Other Vehicles - starting from April 7, 2019 - has been fully repaid (Previous year - to be repaid in 12 equal monthly instalments).	Not Applicable	8.71 to 9.75%	-	102.42

Security	Name of Lender	Repayment Terms	Rate of interest (Current year)	Rate of interest (Previous year)	As at March 31, 2023	As at March 31, 2022
Secured by bank guarantee of equal amount of loan and charge on Plot No. D-19, Gate No. 130 & 131, Industrial area Sikandrabad, District Bulandshahr.	Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana - 2012"	on or before 11/11/27	Interest free loan	Interest free loan	453.01	453.01
Secured by bank guarantee of equal amount of loan.		on or before 28/09/27	Interest free loan	Interest free loan	125.36	125.36
Secured by bank guarantee of equal amount of loan.		on or before 28/09/26			422.42	-
Secured by bank guarantee of equal amount of loan and second charge on entire fixed assets viz. Land, Building, Plant & machinery & other fixed assets installed at Unit - II of the Company.		on or before 02/04/23			-	76.17
		on or before 09/06/22			-	40.73

3.3 The Loan of Rs. 5461.22 Lakhs are interest free and repayable shall be made on or before Financial year 2027-28.

3.4 The Loan of Rs. 1322.61 Lakhs and Rs. 135.95 Lakhs (Previous year - Nil) are interest bearing @6.25% per annum and repayable shall be made on or before March 19, 2028 and on or before March 7, 2027 respectively. Interest aggregating ₹ 7.28 Lakhs (Previous Year- Nil) accrued on loans borrowed have been waived off during the year. The Loan of Rs. 155 Lakhs (Previous year - 155 Lakhs) are interest free and repayable shall be made in Financial year 2023-24.

3.5 Interest aggregating ₹11.30 Lakhs (Previous year - ₹0.95 Lakhs) on loans borrowed from a related party has been waived off during the year.

4 Deferred tax liabilities/(assets) (net)

The Group has recognised following deferred tax assets and liabilities determined on account of timing differences in accordance with Accounting Standard 22 "Accounting of Taxes on Income".

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on account of:			
Depreciation and amortisation expenses	4.1	2,252.03	1,741.44
Carry Forward of Loss:			
Carry Forward of Loss		(66.72)	-
Deferred tax assets on account of:			
Expenses allowed on payment basis	4.1	5.10	13.87
Net deferred tax liabilities/(assets) [(a)-(b)]		2,180.21	1,727.57

3.6 The Group has recomputed deferred tax for earlier years and error for ₹ 1002.07 Lakhs in determination of deferred tax liability on depreciation and amortisation has been shown separately in Statement of Profit and Loss in previous year.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

5 Other long term liabilities

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Security deposits from customers	5.1	546.09	706.08
Amount payable to related parties for purchases of shares	5.2	49.94	997.94
Less : Current maturities of amount payable to related parties for purchases of shares	9	-	(97.94)
Total		596.03	1,606.08

5.1 Securities deposits received from customers are unsecured and refundable at the time of termination of contract with agents.

5.2 The Holding Company has purchased equity shares of subsidiaries from related parties for which amount is repayable in next 5 years.

6 Long term provisions

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employees benefit	28.6	7.01	27.56
Total		7.01	27.56

7 Short term borrowings

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Secured			
Loan repayable on demand from a bank	7.1	-	886.44
Current maturity of long term loans			
(i) Vehicle loans from a bank	3.1	-	102.42
(ii) Term loans from government	3.2	-	40.73
Unsecured			
Current maturity of long term loan			
- Interest free Loan from a company (related party)	3.4	161.10	6.10
Total		161.10	1,035.69

7.1 In case of Holding Company, Exclusive charge in favour of the Bank by way of hypothecation of inventories and other moveables including trade and other receivables, both present and future, in a form and manner satisfactory to the Bank, and also secured by personal guarantees of two directors. The loan is further secured by collateral by way of mortgage on the properties located at A 21, Sector 16, Noida, Uttar Pradesh (India). During the year, the Company has closed working capital limit from a bank and accordingly filed satisfaction of its charge.

8 Trade payable

Particulars	Note	As at March 31, 2023	As at March 31, 2022
For goods & services	8.1		
Total outstanding due to micro and small enterprises		9.34	2.93
Total outstanding due to other than micro and small enterprises		-	-
- to a related party	28.5	65.25	63.90
- to others		6,204.14	3,781.75
Total		6,278.73	3,848.58

8.1 Certain trade payables are subject to reconciliation and confirmations.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

8.3 Trade payable ageing as at March 31, 2023

Particulars	Outstanding for following periods from Transaction date					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.08	2.14	0.13	-	-	9.34
(ii) Others	1,921.78	3,208.41	60.00	22.66	38.09	5,250.94
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	1,018.45
Total	1,928.86	3,210.55	60.13	22.66	38.09	6,278.73

Trade payable ageing as at March 31, 2022

Particulars	Outstanding for following periods from Transaction date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2.36	0.57	-	-	-	2.93
(ii) Others	1,235.81	2,294.84	271.58	6.85	36.57	3,845.65
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-
Total	1,238.17	2,295.41	271.58	6.85	36.57	3,848.58

9 Other current liabilities

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employee emoluments		91.10	52.47
Advances from customers		61.90	146.88
Advances from customers (related parties)	28.5	-	26.40
Statutory dues payable		457.58	724.13
Capital creditors		223.22	1,880.55
Current maturities of amount payable to related parties for purchases of shares		-	97.94
Claim payable to a customer	28	4,559.88	4,559.87
Other payables		546.77	0.20
Total		5,940.45	7,488.44

10 Short term provisions

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Employees benefit	28.6	0.83	12.09
Provision for tax (net)		24.75	1,278.32
Total		25.58	1,290.41



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Note 11- Property, plant and equipments and intangible assets

S. NO	DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION					NET BLOCK	
		As at 01-04-22	Addition on Consolidation	Additions/ adjustments	Deduction/ adjustments	As at 31-03-2023	As at 01-04-22	Addition on Consolidation	for the year	Deduction/ adjustments	As at 31-03-23	As at 31-03-2023
11A	Property, plant and equipment											
	Land (Freehold)	1,795.81	-	825.27	-	2,621.08	-	-	-	-	-	2,621.08
	Land (Leasehold)	335.95	-	-	-	335.95	35.01	-	4.60	-	39.61	296.35
	Buildings	3,471.49	-	1,572.21	-	5,043.70	785.10	-	170.75	-	955.85	4,087.85
	Plant and equipments	15,158.19	-	15,087.92	-	30,246.12	3,491.72	-	1,053.82	-	4,545.54	25,700.58
	Electrical installations and equipments	582.81	-	1,183.99	-	1,766.81	333.85	-	134.39	-	468.24	1,298.56
	Computers	53.75	-	45.44	-	99.29	28.30	-	22.81	-	51.11	48.11
	Furniture and fixtures	46.41	-	145.72	-	192.13	17.16	-	14.92	-	32.08	160.03
	Vehicles	1,179.98	-	30.15	952.12	258.01	691.40	-	190.37	651.72	160.01	98.00
	Office equipments	20.53	-	35.66	-	56.19	3.97	-	9.02	-	13.89	42.30
	Sub Total	22,644.96	-	18,929.35	952.12	40,622.20	5,316.51	-	1,001.54	651.72	6,268.33	34,355.87
11B	Intangible assets											
	Computer software	2.85	-	2.00	-	4.85	2.29	-	0.08	-	2.37	2.48
	Sub Total	2.85	-	2.00	-	4.85	2.29	-	0.08	-	2.37	2.48
	TOTAL (A+B)	22,647.81	-	18,931.35	952.12	40,627.05	5,318.80	-	1,001.62	651.72	6,268.70	34,358.35

S. NO	DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION					NET BLOCK	
		As at 01-04-21	Addition on Consolidation	Additions/ adjustments	Deduction/ adjustments	As at 31-03-2022	As at 01-04-21	Addition on Consolidation	for the year	Deduction/ adjustments	As at 31-03-22	As at 31-03-2022
11A	Property, plant and equipment											
	Land (Freehold)	555.85	828.59	411.27	-	1,795.81	-	-	-	-	-	1,795.81
	Land (Leasehold)	335.95	-	-	-	335.95	35.01	-	36.01	-	35.01	300.94
	Buildings	1,843.43	1,828.06	-	-	3,471.49	345.57	263.87	175.56	-	785.10	2,686.39
	Plant and equipments	5,709.44	9,411.13	37.02	-	15,158.19	887.65	2,028.52	595.35	-	3,491.72	11,656.47
	Electrical installations and equipments	196.07	386.74	-	-	582.81	118.85	354.35	50.65	-	333.85	248.96
	Computers	30.61	9.90	13.22	-	53.75	12.06	4.24	12.00	-	28.30	25.69
	Furniture and fixtures	3.75	42.96	-	-	46.41	1.21	11.76	4.19	-	17.16	29.25
	Vehicles	1,056.42	83.56	-	-	1,179.98	400.55	57.39	163.45	-	621.39	558.59
	Office equipments	14.08	-	6.45	-	20.53	2.30	-	1.68	-	3.95	16.55
	Sub Total	9,585.50	12,590.80	468.56	-	22,544.90	1,748.29	2,530.13	1,038.09	-	5,316.51	17,328.46
11B	Intangible assets											
	Computer software	-	2.09	0.76	-	2.85	-	0.87	1.42	-	2.29	0.56
	Sub Total	-	2.09	0.76	-	2.85	-	0.87	1.42	-	2.29	0.56
	TOTAL (A+B)	9,585.50	12,592.89	469.32	-	22,547.75	1,748.29	2,531.00	1,039.51	-	5,318.80	17,329.02

Note :

- (i) There were no revaluation carried out by the Group during the years reported above,
(ii) Property, plant and equipment acquired under the scheme of arrangement (refer note no 28.8). In above additions are net block as on January 13, 2021 of amalgamated company,
(iii) Assets pledged and hypothecated against borrowings. Refer Note 9, 7 and 28.5.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

11C Capital work-in-progress

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Opening		16,615.90	4,034.05
Add: Additions		1,504.36	12,581.85
Less: Assets capitalised		(18,108.60)	(16,615.90)
Closing		11.66	16,615.90

11C.1 Ageing schedule of capital work-in-progress

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Projects in progress			
< 1 year		11.67	12,581.85
1-2 years		-	3,915.85
2-3 years		-	118.20

11C.2 Capital work-in-progress - to be completed in

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Less than 1 year		11.66	16,615.90
1-2 years		-	-
2-3 years		-	-
More than 3 years		-	-
Closing		11.66	16,615.90

11C.3 Break-up of capital work-in-progress

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Material costs		11.67	13,940.39
Labour costs		-	2,542.34
Other overheads		-	133.17
Closing		11.67	16,615.90

11C.4 The Group does not have any project which is cost overrun and time overrun as at March 31, 2023 and March 31, 2022.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

12 Non-current investments

Particulars	Note	As at		As at	
		As at March 31, 2023		As at March 31, 2022	
		Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
I Investments in Preference instruments (unquoted) (Trade) at cost					
Preference Shares of Eudibte Technologies Private Limited having face value of ₹ 10 each		155	25.11	155	25.11
Less: Provision for permanent diminution			(25.11)		
0.01% compulsorily convertible preference shares of M/s Stark Enterprises Private Limited having face value ₹ 10 each		-	-	125	25.00
II Investments in PMS					
Investment in PMS	Face value				
Ajanta Pharma Ltd	2	-	-	18	0.29
Apollo Hospitals Enterprise Limited	5	-	-	21	0.28
Bata India Ltd	5	-	-	67	0.54
APL Apollo Tubes Limited	2	-	-	140	0.20
Caplin Point Laboratories Limited	2	-	-	112	0.39
Easy Trip Planners Limited	1	-	-	438	0.43
Emami Ltd	1	-	-	161	0.44
The Federal Bank Limited	2	-	-	1,167	0.71
Gateway Distriparks Ltd	10	-	-	1,640	0.56
Johnson Controls-Hitachi Air Conditioning India Ltd	10	-	-	46	1.03
ICICI Bank Ltd	2	-	-	209	0.78
IIFL Wealth Management Limited	1	-	-	78	1.02
ION Exchange (India) Limited	10	-	-	47	0.49
Jamna Auto Industries Limited	1	-	-	777	0.51
JK Cements Ltd	10	-	-	26	0.30
Jubilant Foodworks Ltd	2	-	-	37	0.84
Lumax Industries Ltd	10	-	-	76	1.14
Mayur Uniquoters Ltd	5	-	-	233	0.51
Oberoi Realty Ltd	10	-	-	104	0.50
Page Industries Ltd	10	-	-	3	0.66
PI Industries Ltd	1	-	-	39	0.58
PNC Infratech Limited	2	-	-	277	0.55
Navin Fluorine International Ltd	2	-	-	24	0.34
Persistent Systems Ltd	10	-	-	38	0.29
Shriram Transport Finance Company Ltd	10	-	-	54	0.38
Spandana Sphoorty Financial Limited	10	-	-	126	0.73
JK Lakshmi Cement Ltd	5	-	-	186	0.49
Honeywell Automation India Ltd	10	-	-	1	0.30
Varroc Engineering Limited	1	-	-	24	0.10
Garware Hi-Tech Films Limited	10	-	-	107	0.97
JK Paper Limited	10	-	-	262	0.38
Polycab India Limited	10	-	-	46	1.10
SBI Cards and Payment Services Limited	10	-	-	100	1.05
Triveni Turbine Ltd	1	-	-	408	0.54
III Investment property		-	284.02	-	284.02
Total (I+II+III)			284.02		353.55
Other disclosures :					
Aggregate amount of unquoted investments			309.13		334.13
Aggregate amount of quoted investments			-		19.42
Market Value of quoted investments			-		30.97
Aggregate provision for diminution in the value of investments			(25.11)		-



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

13 Long term loans and advances

Particulars	Note	As at 2023	As at 2022
(Unsecured, considered good)			
Capital advances		427.98	465.04
Loans to companies [interest free]	13.1 & 13.2	-	1,420.54
Total		427.98	1,885.58

13.1 Pledged and hypothecated against borrowings. Refer Note 7.

13.2 No loans or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

13.3 Interest aggregating ₹ 206.62 Lakhs (Previous Year- ₹ 290.10 Lakhs (net of payable of ₹ 4.17 Lakhs) accrued on loans granted have been waived off during the year.

14 Other non-current assets

Particulars	Note	As at 2023	As at 2022
(Unsecured, considered good)			
Security deposits - related parties		-	564.81
Security deposits		723.24	651.94
Total		723.24	1,216.75

14.1 Pledged and hypothecated against borrowings. Refer note 7.

15 Inventories

(Valued at cost or net realisable value, whichever is lower)

Particulars	Note	As at 2023	As at 2022
Raw materials & packing materials		2,044.62	811.20
Work-in-progress		550.93	108.17
Stores and spares		18.17	21.66
Total		2,613.72	941.03

15.1 Inventories were not physically verified during the year and at end of the year and same have been considered on the basis of book quantity identified from derived method. The management do not expects any major deviation between the books stock and physical stock.

15.2 Pledged and hypothecated against borrowings. Refer note 7.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

16 Trade receivables

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
- from related parties	28.5	-	-
- Receivable from others	16.1	5,570.27	5,254.82
Total		5,570.27	5,254.82

16.1 Certain trade receivables are subject to reconciliation and confirmations.

16.2 Assets pledged and hypothecated against borrowings. Refer note 7.

Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	2,417.04	3,106.27	10.17	22.91	13.88	-	5,570.27
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-
Total	2,417.04	3,106.27	10.17	22.91	13.88	-	5,570.27

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	1,284.31	3,867.90	57.00	42.83	2.69	-	5,254.82
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-
Total	1,284.31	3,867.90	57.00	42.83	2.69	-	5,254.82

17 Cash and bank balances

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents			
Cash on hand		75.51	60.11
Balances with scheduled bank:			
In current accounts	17.1	579.82	206.50
In cash credit accounts	17.1	-	13.78
Total (A)		655.33	280.39
Other bank balances			
Fixed deposits with remaining maturity beyond 3 months but less than 12 months		2.84	2.84
Fixed deposits held as margin money against bank guarantee with remaining maturity beyond 3 months but less than 12 months		9.37	-
Fixed Deposit with maturity beyond 12 months		17.73	-
Fixed deposits held as margin money against bank guarantee with remaining Maturity beyond 12 months	17.1	1,196.11	715.16
Total (B)		1,226.35	717.80
Total (A+B)		1,881.68	998.19

17.1 The Holding Company is in the process of transferring following bank accounts and fixed deposits in the name of Kanodia Cement Limited from respective amalgamating companies. (Refer Note 28.3)

Balances with scheduled banks:

In current accounts	17.55	20.31
In cash credit account	-	13.78
Fixed deposits held as margin money against bank guarantee with remaining Maturity beyond 12 months	170.15	180.58

18 Short term loans and advances

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
Advance receivable in cash or in kind		180.43	386.24
Advance receivable in cash or kind - related parties	28.5	-	1.00
Advance to suppliers		2,444.48	2,265.25
Surplus in Gratuity Fund		1.63	-
Income-tax refund		36.40	145.43
Entry tax recoverable		5.49	5.49
Government grant receivable	18.1	-	575.27
Advance Income Tax		210.98	-
Other Receivable		370.57	-
GST Input Tax credit		1,216.86	-
Mat credit entitlement		-	335.00
Total		4,466.84	5,713.68

5 subject to reconciliations.

18.1 Includes ₹ nil (previous year ₹ 74.98 Lakhs) recoverable under the Industrial Incentive Policy, 2011 ("IIP") issued by the Government of Bihar for the period January 2019 to March 2019. The Government of Bihar has amended its IIP with retrospective effect from 01.07.2017 and based on the amendment the claim has been rejected. The Company has filed a writ petition with Hon'ble High Court of Patna, challenging the amendment with retrospective effect. However, during the year, the Company has written off Rs. 74.98 Lakhs as an abundant caution but company continue to pursue the matter.

18.2 No Loans or other receivables are due from directors or other officers of the group either severally or jointly with any other person and are due from private companies in which director is a partner, or director or member except reported as "Advance receivable in Cash or Kind - Related parties" above.

18.3 Pledged and hypothecated against borrowings. Refer note 7.

19 Other current assets

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
Accrued interest		1.66	6.97
GST Receivable		416.79	2,144.07
Prepaid expenses		9.13	12.31
Others		15.80	36.20
Total		443.48	2,199.55

19.1 Pledged and hypothecated against borrowings. Refer note 7.



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(₹ in Lakhs)

20 Revenue from operations

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products (Cement)	20.1		
- Cement		60,113.68	44,212.50
- Clinker		4,352.67	2,839.77
- Fly Ash & Others		296.81	387.06
Other operating income			
- Services income from transportation	20.1	0.10	-
- Government subsidy income		1,076.27	1,451.72
Net revenue from operations		65,839.53	48,891.05

20.1 Refer Note 28.5 - Related party disclosure

21 Other income

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income		70.05	72.99
Dividend income		0.33	0.20
Net profit on sale of non-current investments		25.64	5.40
Sundry balances written back		9.20	-
Sundry Liability written back		16.81	129.33
Insurance claim received		9.85	2.71
Incentive received from a vendor		82.17	42.27
Other income (including scrap sales)		51.85	37.14
Total		265.91	290.04

22 Cost of materials consumed @

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Clinker		35,968.58	25,254.57
Others		4,367.83	3,061.06
Packing materials		2,795.70	2,283.64
Total		43,132.11	30,599.27

@ Identified from derived method.

22.1 Purchase of stock-in-trade:

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock-in-trade (clinker and fly ash)		5,228.21	3,927.53
Total		5,228.21	3,927.53

23 Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories as at March 31, 2023			
Work-in-progress		550.93	108.17
Stock-in-process		-	-
		550.93	108.17
Inventories as at March 31, 2022			
Work-in-progress		108.16	13.98
Stock-in-process		-	-
		108.16	13.98
(Increase) / decrease in inventories		(442.77)	(94.19)



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(₹ in Lakhs)

24 Employees benefit expenses

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus		1,072.56	604.43
Gratuity		4.30	15.42
Contribution to provident and other funds		21.65	24.51
Staff welfare		1.97	2.19
Total		1,100.48	646.55

25 Finance costs

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		120.97	131.46
Interest on statutory dues		8.85	42.49
Other borrowing cost		-	1.20
Total		129.82	175.15

26 Other expenses

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Stores and spare parts consumed	26.1	713.26	897.64
Power and fuel		3,521.80	3,082.86
Repair and maintenance			
- Plant and machinery		240.37	279.06
- Others		4.46	45.19
Rent		158.89	158.93
Rates and taxes		25.66	16.05
Insurance		31.22	28.39
Legal and professional		594.01	378.33
Man Power Supply		41.35	-
Hiring Charges		6.50	-
Cleaning		64.80	-
Director remuneration		-	29.16
Auditors remuneration			
- For audit fees		19.50	15.00
- For tax audit		3.00	-
- For tax audit of Previous Years		1.00	-
- For Certifications & Others		0.15	-
- Reimbursement of expenses		1.02	-
Corporate social responsibility		70.85	30.00
Donations		-	25.32
Freight outward		881.68	1,058.00
Advertisement and business promotion		957.99	125.61
Selling and distribution		118.23	204.88
Net loss on sales of property, plant and equipment		101.20	-
Bad debts		420.41	560.92
Subsidy written off		94.75	-
Provision for permanent diminution of investment		25.11	-
Security Expenses (O)		25.78	-
Freight & Forwarding Charges		57.48	-
Hotel Expenses		0.96	-
Internet Charges		2.12	-
Advances written off		19.16	16.37
Printing and stationery		9.07	-
Miscellaneous		222.26	225.28
Total		8,434.04	7,176.99

26.1 Exception items

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Advances written off*		-	110.00
Total		-	110.00

* Advance given to a vendor against purchase of property in earlier years has been written off during the previous year.



M/S KANODIA CEMENT LIMITED
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

27.1 Principles of Consolidation

a. The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards notified under section 133 read with the Companies (Accounting Standard) Rules, 2021, as amended and the relevant provisions of the Companies Act, 2013.

b. The Consolidated Financial Statements comprise financial statements of Kanodia Cement Limited ('KCL' or 'the Holding Company') and its subsidiaries (collectively, "the Group") for the year ended 31 March 2023. Its subsidiaries M/s Kanodia Cem Private Limited and Kanodia Infratech Limited incorporated in India, which were acquired on 1st July 2022. The Holding Company's interest in M/s Kanodia Cem Private Limited and in Kanodia Infratech Limited is 100.00%.

The Consolidated Financial Statements are in conformity with the AS-21 issued under the Companies Accounting Standard Rules, 2021 and prepared on the following basis:

- i) The financial statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating inter company balances and transactions.
- ii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iii) Minority interest in the consolidated financial statements is identified and recognised after taking into consideration the amount of equity attributable to minority at date on which investments in subsidiary is made.

27.2 Significant Accounting Policies

a. Basis of Preparation

The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 read with the Companies (Accounting Standard) Rules, 2021, as amended and the relevant provisions of the Companies Act, 2013 under historical cost convention on accrual basis. Accounting policies not referred to otherwise are in accordance with generally accepted accounting principles in India.

b. Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Examples of such estimates include provisions for doubtful debts and advances, future obligations under employee retirement benefit plans, useful lives of property, plant and equipment, contingencies, etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Classification of Assets and Liabilities as Current and Non Current

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is classified as current when:

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

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.



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NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

d. Property, plant and equipment and investment properties

Property, plant and equipment and investment properties are stated at cost, less accumulated depreciation and impairment loss (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure on property, plant and equipment and investment properties after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the asset reliably.

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

e. Intangible Assets

Intangible Assets acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Subsequent expenditure on intangible asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the asset reliably. The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

f. Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceeds recoverable amount. Reversal of impairment losses recognized in prior periods is recorded when there is an indication that the impairment losses, recognized for the assets, no longer exists or have decreased.

g. Depreciation and amortization

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation.

SN	Assets	Useful life as per technical assessment/ management estimate	Useful life as per Companies Act
1	Plant and Machinery	25 years [on double shift]	15 years [on single shift]
2	Roads	10 years	3 years

Depreciation on addition to or on disposal of property, plant and equipments are calculated on pro rata basis. Addition to property, plant and equipments costing less than or equal to ₹ 5,000 are depreciated fully in the year of purchase. Leasehold land has been amortised over the lease period.

Amortisation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over useful life or five years, whichever is lower. Subsequent expenditure on intangible asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measure and attributed to the asset reliably.

h. Borrowing Costs

Borrowing costs relating to acquisitions/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

i. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. The Group provides for diminution other than temporary in the value of Non-Current Investments.

j. Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of manufactured finished goods and work-in-progress is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of materials are computed on FIFO basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.



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k. Revenue Recognition

(i) Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and to the extent that it is probable that economic benefit will flow to the Group and it can be reliably measured and is recognized when reasonable certainty about its realisation exists. Revenue is reported net of trade discount, sales returns and taxes on sales and in accordance with the terms of contracts entered into with the customers, if any. Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

(ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividend

Dividend income on investments is accounted, when the right to receive the payment is established.

(iv) Others

Other incomes are recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Accordingly service income from transportation are recognized to the extent it relates to services are completed during the year.

l. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

m. Leases

Where the Group is the Lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

n. Employee Benefits

(i) All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, short term compensated absences are recognized in the period in which the employee renders the related service.

(ii) Contributions paid/payable to defined contribution plan comprising of provident fund is charged on accrual basis. The Group makes monthly contribution and has no further obligations under the plan beyond it's contributions.

(iii) Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The defined benefit/obligation is calculated at each balance sheet date by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

iv) As per leave policy of the Group, the accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is defined benefit scheme, is provided based on actuarial valuation at each balance sheet date, based on Projected Unit Credit, carried out by an independent actuary.



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NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

o. Taxation

Tax expense comprises Current Tax and Deferred Tax. Current Tax are measured at the amount expected to be paid in accordance with Income tax Act, 1961. Deferred Taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets on items other than unabsorbed depreciation and carry forward tax losses, are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Group has unabsorbed depreciation or carry forward tax losses, entire deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable income. At each balance sheet date the Group re-assesses deferred tax assets.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

p. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Group as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated..

q. Foreign Exchange transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Outstanding foreign currency monetary items at year end are reported using the closing rate.

(iii) Exchange Difference

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous the consolidated financial statements, are recognized as income or as expenses in the year in which they arise.

r. Government Grant/Subsidy

Subsidies from the Government are recognized when there is a reasonable assurance that (i) the Group will comply with the conditions attached to them and (ii) when there is no uncertainty on ultimate collection of such grant/ subsidy. Where a grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related assets. Other government grants or subsidies are credited to Statement of Profit and Loss or adjusted from related expenses.

s. Provisions, Contingent Liability and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to The consolidated financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in The consolidated financial statements. Contingent assets are neither recognised nor disclosed in The consolidated financial statements.

t. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

(₹ in Lakhs)

28.0 Contingent liabilities and commitments [to the extent identified by the management]

	As at March 31, 2023	As at March 31, 2022
A. Contingent Liabilities not provided for in respect of :		
a Demand for Income tax, being contested by Kanodia Cement Limited ^	1,363.73	1,250.49
b Dispute regarding excise cenvat credit	137.77	137.77
c Claim by a customer disputed by the Kanodia Infratech Limited ^		
- Principle amount	118.00	118.00
- Interest thereon	6,428.44	4,883.04

A customer has filed a case against a subsidiary company for alleged breach of contractual terms which has been disputed by the subsidiary company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitration award was passed on 09.03.2021 and the subsidiary company was held liable to pay principal sum of ₹ 4983.87 lakhs and interest thereon @ 18% p.a. The subsidiary company has challenged the aforesaid matter before the single judge bench of the Hon'ble High Court which has been decided partly in the favour of the subsidiary company by set aside the award of ₹ 400 lakhs on 08.11.2021. The subsidiary company has further challenged aforesaid arbitration award before the Double bench of Hon'ble High Court of Delhi. The double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the court.

Based on the opinion received by the subsidiary company, there are high probabilities of favourable decision. However, as an abandum caution, the subsidiary company has accounted for liability for principle amount aggregating ₹ 4559.88 lakhs (including ₹ 94 lakhs arbitration costs) in earlier years. However, principle amount ₹ 118 lakhs and interest ₹ 6428.44 lakhs till March 31, 2023 will be accounted, if required, at the time of final order by the Hon'ble High Court of Delhi.

^ The Group has reviewed all its pending litigations and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in it's financial statement. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expects any payment in respect of the above contingent liabilities.

- B.** In earlier years, the Vevant Cement Works Pvt Ltd. (amalgamated company) has given corporate guarantee to a bank for loan to the extent of ₹ 500 Lakhs obtained by a relative of director against which the balance outstanding as on March 31, 2023 is Nil (Previous year ₹ 411.42 lakhs) and has been closed during the year.
- C.** During the year, the Holding Company has given corporate guarantee to a bank for credit facility of ₹ 3200 Lakhs availed by a related party namely M/s Hygiene Plus Private Limited against which the balance outstanding as on March 31, 2023 was ₹ 1551.88 lakhs (Previous year ₹ 1893.97 lakhs).
- D. Capital commitments** 4,393.33

28.1 Earnings per share (EPS)

		As at March 31, 2023	As at March 31, 2022
Earnings per share (EPS)			
Profit attributable to equity shareholders	₹ in Lakhs	5,013.98	1,987.79
No of shares at the beginning of the year	Numbers	7,45,69,650	74,56,965
Add : Adjustment due to split of shares [face value ₹ 100 to ₹ 10]	Numbers	-	6,71,12,685
No of shares at the end of the year	Numbers	7,45,69,650	7,45,69,650
Weighted average number of equity shares	Numbers	7,45,69,650	7,45,69,650
Basic earnings per share of ₹ 10 each	₹	6.72	2.67
Diluted earnings per share of ₹ 10 each	₹	6.72	2.67

- 28.2** In the opinion of the respective Board of directors, any of the assets other than property, plant and equipments, intangible assets and non current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

28.3 Assets taken under operating leases:

Office premise was obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 11 months and are renewable at the mutual agreement of both the parties. The aggregate lease rentals accounted are charged as "Rent" in note No. 26 of the consolidated financial statements.

28.4 Segment reporting

The Group's activities falls with a single primary business segment viz "Cement". The business activity of the Group falls within one geographical segment which is within the country. Hence, the disclosure requirement of 'Segment Reporting' is not considered applicable.



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

28.5 Related Party Disclosure (to the extent identified by the Group) :

In accordance with the requirements of Accounting Standard – 18 on "Related Party Disclosures" as referred in the Companies (Accounting Standard) Rules, 2021 where control exists and where transactions have taken place, the description of the relationship as identified and certified by management are as follows:

I. Name and relationship of the related parties

A Promoters

Nupoor Kanodia Beneficiary Trust
 Trish Kanodia Beneficiary trust
 Mr. Vishal Kanodia

B Key Management Personnel

Mr. Vishal Kanodia	Managing Director
Mr. Manoj Kedia	Director
Mr. Saurabh Lohia	Director
Anup Kumar Singh	CFO
Shikha Mehra Chawla	Company Secretary

C Relatives of Key Management Personnel (where transactions took place)

Mrs. Manju Devi Kanodia	Mother of Mr. Vishal Kanodia
Mrs. Khushboo Kanodia	Wife of Mr. Vishal Kanodia
Mr. Gautam Kanodia	Brother of Mr. Vishal Kanodia
Mrs. Swati Kanodia	Wife of Mr. Gautam Kanodia
Vishal Kanodia HUF	Mr. Vishal Kanodia is Karta of HUF
Gautam Kanodia HUF	Mr. Gautam Kanodia is Karta of HUF
Mrs. Sonia Lohia	Wife of Mr. Saurabh Lohia

D Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (where transactions took place)

Kanodia Business Private Limited (Amalgated with M/s Midpoint Commodeal Private Limited w.e.f. appointed date i.e. 01.04.2021 effected from 16.11.2022)
 Kanodia Infratech Limited (till 28.09.2021) [became subsidiary during the previous year]
 Kanodia Cem Private Limited (till 03.05.2021) [became subsidiary during the previous year]
 Hygiene Plus Private Limited
 Blossom Realcon Private Limited
 Anadi Infotainment Private Limited
 Neo HBM Private Limited
 Fair Hygiene Private Limited
 Kanodia Cement Industries Private Limited
 Sapna Sudhansh Infosystem Private Limited
 Shree Shyam Services (a proprietorship firm)
 Amuly Suppliers Private Limited (w.e.f. 04.05.2021)
 Leoline Developers Private Limited (w.e.f. 04.05.2021)
 Real Value Agrotech Project Private Limited (w.e.f. 04.05.2021)
 Trends Advisory Private Limited

II. The following transactions were carried out during the year in the ordinary course of business.

(Rs. in Lakhs)

Related party and nature of transactions		As at	As at
		March 31, 2023	March 31, 2022
(a) Kanodia Infratech Limited	Supply of services	-	97.24
	Purchases of goods	-	25.79
	Interest on unsecured loan	-	24.13
	Loan borrowed	-	5,829.60
	Loan repaid	-	5,355.25
(b) Kanodia Cem Private Limited	Loan borrowed	-	1,806.31
	Loan repaid	-	632.45



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

(Rs. in Lakhs)

Related party and nature of transactions	As at March 31, 2023	As at March 31, 2022
(c) Hygiene Plus Private Limited		
Loan given	3,354.10	5,143.11
Loan received back	4,495.30	7,474.90
Loan borrowed	1,703.36	-
Loan Repaid	379.90	-
Corporate guarantee given [without charging guarantee commission]	3,200.00	3,200.00
Apart from above, interest ₹ 173.02 Lakhs (Previous year ₹ 266.18 Lakhs) accrued on loan given has been waived off during the year.		
(d) Blossom realcon Pvt. Ltd.		
Loan given		13.50
Loan received back	248.55	-
Apart from above, interest of ₹19.94 Lakhs (previous year ₹ 20.12 Lakhs) accrued on loan given has been waived off during the year.		
(e) Anadi Infotainment Private Limited		
Loan given	-	20.10
Loan received back	-	20.10
Apart from above, interest NIL (Previous Year ₹ 0.35 Lakhs) accrued on loan given has been waived off during the year.		
(f) Fair Hygiene Pvt Ltd		
Loan given	-	1.20
Loan received back	30.80	-
Loan borrowed	-	-
Loan Repaid	-	-
Apart from above, interest of ₹2.03 Lakhs (Previous Year ₹ 2.50 Lakhs) accrued on loan given has been waived off during the year.		
(g) Trends Advisory Pvt. Ltd.		
Loan repaid	-	73.90
(h) Kanodia Business Private Limited		
Loan given	-	288.10
Loan received back	-	472.45
Loan borrowed	397.10	-
Loan repaid	397.10	-
Apart from above, interest of ₹11.30 Lakhs (Previous Year ₹ 0.95 Lakhs) accrued on loan borrowed/given has been waived off during the year.		
(i) Sapna Sudhansh Info System Private Limited		
Rent Expense	36.00	24.00
Security deposit given	-	180.18
Security refunded received	371.66	144.10
(j) Kanodia Cement Industries Private Limited		
Purchase of land	-	209.33
(k) Amuly Suppliers Private Limited		
Loan received	-	4,081.10
(l) Leoline Developers Private Limited		
Loan received	-	60.00
(m) Mr. Vishal Kanodia		
Remuneration paid	18.00	18.00
Purchases of Intangible asset	2.00	
Purchases of Fixed asset	1.35	
Amount received against outstanding balances in amalgamating companies	-	123.70
Purchases of equity shares of subsidiary companies	7.93	386.09
Loan repaid	-	6.81
Guarantee given for loan availed by the Holding Company	refer note 7.1	refer note 7.1
(n) Manoj Kedia		
Remuneration paid	8.00	5.16
Remuneration paid in advance	-	1.85
Refund received against old outstanding	-	1.25
(o) Saurabh Lohia		
Remuneration paid	9.00	9.00
Purchases of equity shares of a subsidiary company	0.02	0.15
Guarantee given for loan availed by the Holding Company	refer note 7.1	refer note 7.1



M/S KANODIA CEMENT LIMITED
OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

(Rs. in Lakhs)

Related party and nature of transactions		As at March 31, 2023	As at March 31, 2022	
(p)	Gautam Kanodia	Purchases of equity shares of a subsidiary company	-	292.91
(q)	Swati Kanodia	Purchases of equity shares of a subsidiary company	-	204.61
		Advance against purchase of land refunded	-	15.65
		Remuneration paid*	4.20	
(r)	Khushboo Kanodia and Shree Shyam Services	Rent paid	130.00	120.00
		Purchases of equity shares of a subsidiary company	7.70	214.20
		Security deposit refunded back	-	6.00
		Remuneration paid*	4.20	9.00
(s)	Vishal Kanodia HUF	Purchases of equity shares of a subsidiary company	7.76	369.36
		Amount refunded	-	25.05
(t)	Manju Devi Kanodia	Purchases of equity shares of a subsidiary company	7.70	161.34
		Advance against purchases of property, plant and equipments refunded	-	136.00
		Remuneration paid*	4.20	9.00
(u)	Gautam Kanodia HUF	Advance received against sale of land	-	26.40
		Refund of advance received against sale of land	-	10.60
(v)	Shivani Kedia	Remuneration paid*	-	1.00
(w)	NEO HBM Private Limited	Loan given	730.05	-
		Loan received back	730.05	-
		Loan borrowed	627.30	-
		Loan repaid	491.33	-
		Sale of Goods	888.04	-
		Supply of Service	0.10	-
		Service Received	868.31	-
		Purchase of Goods	7.30	-
Apart from above, net interest of ₹ 1.35 Lakhs (Previous year - Nil) accrued on loan given/borrowed has been waived off during the year.				
(x)	Somia Lohia	Purchases of equity shares of a subsidiary company	0.02	-
(y)	Amaestro Media Pvt Ltd	Purchases of goods	1.57	-
		Service Received	15.00	-
(z)	Pooja Poddar*	Remuneration paid	6.00	-
(aa)	Sarthak Nayan*	Remuneration paid	6.00	-
(ab)	Stakshi Nayan*	Remuneration paid	0.50	-

*excludes provision in respect of gratuity as the same is determined on an actuarial basis for company as whole.

III Closing balances :

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
NEO HBM Private Limited		
-Loan receivable	-	-
-Loan payable	135.97	-
Hygiene Plus Private Limited		
-Loan receivable	-	1,141.19
-Loan payable	1,323.20	-
-Also refer note 28.1(C) of the financial statements.		
Blossom realcon Private Limited		
-Loan receivable	-	248.55
Fair Hygiene Private Limited		
-Loan receivable	-	30.80



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

Particulars	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Sapnasudhansh Info System Private Limited		
-Security deposits receivable	-	371.66
-Trade Payables	42.89	-
Trends Advisory Private Limited		
-Loan payable	6.10	6.10
-Payable	155.00	155.00
Real Value Agrotech Project Private Limited		
-Loan payable	-	3,645.00
Amuly Suppliers Private Limited		
-Loan payable	-	4,081.09
Leoline Developers Private Limited		
-Loan payable	-	2,270.00
Mr. Vishal Kanodia		
-Payable against purchases of equity shares of subsidiary companies	49.94	144.12
-Expense payables	20.12	-
-For guarantees, refer note 7.1 of the financial statements.		
Manoj Kedia		
-Advance salary paid	-	1.85
Saurabh Lohia		
-Salary payable	-	1.29
-For guarantees, refer note 7.1 of the financial statements.		
Gautam Kanodia		
-Payable against purchases of equity shares of a subsidiary company	-	105.51
Swati Kanodia		
-Payable against purchases of equity shares of a subsidiary company	-	204.61
Khushboo Kanodia / Shree Shyam Services		
-Trade payable (Shree Shyam Services)	-	63.90
-Payable against purchases of equity shares of a subsidiary company	-	13.00
-Security deposits receivable	-	193.15
-Payable	2.24	0.67
-Also refer note 28.1(B) of the financial statements.		
Vishal Kanodia HUF		
-Payable against purchases of equity shares of a subsidiary company	-	369.36
Manju Devi Kanodia		
-Payable against purchases of equity shares of a subsidiary company	-	161.34
-Payable	-	0.67
Gautam Kanodia HUF		
-Payable against advance received for sale of land	-	26.40



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

(Rs. in Lakhs)

28.6 Employment benefit

As per Accounting Standard 15 (Revised 2005), "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards such contribution to provident fund for the year is included in "Employee benefits expense".

The Group has recognised the following amounts in the Statement of Profit and Loss :

	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to provident and other funds:	21.65	24.51

(b) Defined benefit plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following tables summaries the components of net benefit expense recognised in the Profit and Loss Statement and the funded status and amounts recognised in the balance sheet for the plan (based on Actuarial Valuation) :-

a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	15.42	3.18
Defined benefit obligation acquired on account of amalgamation	-	11.38
Current service cost	6.94	7.35
Interest cost	1.12	0.99
Benefits paid	-	-
Benefits payable	-	-
Actuarial (gains) / losses on obligation	(10.10)	(7.49)
Closing defined benefit obligation	13.39	15.42

b) The Company has plan assets amounting of Rs.15.01 Lakhs (Previous year - Nil)

c) A reconciliation of the present value of the DBO and the fair value of the plan assets to the assets recognised in the balance sheet:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of defined benefit obligation at the end of the period	13.39	15.42
Fair value of the plan assets at the end of the year	15.01	-
Asset/(liability) recognized in the balance sheet	1.63	(15.42)

d) The total expense recognised in the Statement of Profit and Loss:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	6.94	7.35
Interest cost	1.12	0.99
Expected return on plan assets	(0.97)	-
Actuarial (gains)/loss	(10.10)	(7.49)
Net benefit expense	(3.00)	0.85
Actual return on plan assets	0.96	Nil

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Investments with insurer	100.00%	Not Applicable



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OTHER NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2023

f) Following are the principal actuarial assumptions used as at the balance sheet date:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.48% - 7.51% per annum	6.81% - 7.29% per annum
Expected rates of return on any plan assets	7.29% per annum	Not applicable
Average Salary escalation rate	8.00% per annum	8.00% per annum
Average remaining working life of the employees(years)	21.37 - 24.44 Years	23.69 - 24.12 Years
The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.		

g) Disclosure under para 120(n) amounts for the current and previous four periods are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of obligation at the end of the year	13.39	15.42
Fair value of plan assets at the end of the year	15.01	-
Funded status	1.63	(15.42)
Actuarial (gain)/loss in PBO	(10.10)	(7.49)
Actuarial (gain)/loss for the year-plan assets	(0.04)	Not applicable

h) Expected contributions for the next financial year :

	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected contributions for the next financial year	8.07	8.34

i) Experience History :

Particulars	31.03.2019	31.03.2020	31.03.2021	31.03.2022	31.03.2023
Present Value of obligation at the end of the year	Not Available	5.25	14.56	15.42	13.38
Fair value of plan assets at the end of the year	Not Available	0	0	0	15.01
Funded Status	Not Available	-5.25	-14.56	-15.42	1.63
Actuarial (Gain)/loss in PBO	Not Available	0	0.07	7.49	10.1
Actuarial gain/(loss) for the year-Plan Assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.06

j) Actuarial Valuation Assumptions

The Principal actuarial assumptions considered in the valuation were :

Economic assumptions : The discount rate and salary increase rate are the key financial assumptions and should be considered together; It is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount rate : The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

Salary escalation rate : The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Group's philosophy towards employee remuneration are also to be taken into account. Again, a long-term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Attrition rate/withdrawal rate : Past experience indicates the current level of attrition. The assumption may incorporate the Group's policy towards retention of employees; historical data & industry outlook.

Mortality rate : Mortality table (IAML) 2012-2014, as issued by Institute of Actuaries of India, for the valuation.



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28.8 Scheme of Arrangement - Amalgamation of the following companies with the Company

National Company Law Tribunal (NCLT) of Judicature at Allahabad Bench vide their order dated January 13, 2021 sanctioned the Scheme of Arrangement between Sargam Dealers Private Limited, Maharaja Retailers Private Limited, Rinani trading Private Limited, Bluestar Cement Limited, Vevant Cement works Private Limited and Rinani Dealmark private Limited (All together "Transferor Company") with Kanodia Cement Limited ("Transferee Company") and their respective shareholders and creditors, pursuant to the provisions of section 230 to 232 and other provisions of the Companies Act, 2013 ("the Scheme") for the amalgamation of the transferor with the transferee. The Scheme became effective upon filing of certified copies of the Orders of the National Company Law Tribunal of Judicature at Allahabad Bench to Registrar of Companies, on January 13, 2021 with effect from appointed date i.e. April 1, 2019.

The Scheme has appointed date i.e. April 1, 2019 which, inter alia, provides for the amalgamation of Transferor Company and Transferee Company and upon the Scheme becoming effective, the business of the transferor stand transferred to and vested in the Transferee Company with effect from appointed date as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein, subject to any existing lien or its pendens, which shall be deemed to be modified subject to the provisions of the Scheme.

28.9 Additional information to the consolidated financial statements:

Particulars	As at March 31, 2023			
	Net Assets, i.e, total assets minus total liabilities		Share in Profit or Loss	
	As % of Total net assets	₹	As % of Share in Profit or Loss	₹
Parent:				
Kanodia Cement Limited	66.16%	18,306.54	20.07%	1,008.42
Subsidiaries:				
Indian				
Kanodia Cem Private Limited	5.88%	1,626.08	32.19%	1,617.22
Kanodia Infratech Limited	34.82%	9,634.16	47.74%	2,398.34
Consolidation adjustment	-6.85%	(1,895.82)	0.00%	(0.02)
Total	100.00%	27,670.96	100.00%	5,023.96

Particulars	As at March 31, 2022			
	Net Assets, i.e, total assets minus total liabilities		Share in Profit or Loss	
	As % of Total net assets	₹	As % of Share in Profit or Loss	₹
Parent:				
Kanodia Cement Limited	76.28%	17,298.11	49.78%	994.52
Subsidiaries:				
Indian				
Kanodia Cem Private Limited	0.04%	8.86	-0.34%	(6.70)
Kanodia Infratech Limited	31.91%	7,235.81	102.33%	2,044.43
Minority Interest in all subsidiaries				
Associates:				
Indian				
Kanodia Cem Private Limited	0.00%	0.09	0.00%	(0.06)
Kanodia Infratech Limited	0.32%	71.95	0.51%	10.19
Consolidation adjustment	-8.54%	(1,936.65)	-52.28%	(1,044.46)
Total	100.00%	22,678.17	100.00%	1,997.92

28.10 Compliance with approved scheme(s) of arrangements

There was no scheme of arrangement filed during the year and previous year and the Companies within the group has complied with Scheme of arrangement approved in earlier year. (Refer Note 28.8)

28.11 Details of benami property held

During the current year and previous year, there are no proceedings which have been initiated or pending against the Companies within the group for holding any benami property under the Prohibition of Benami Properties Transactions Act, 1988 and rules made thereunder.

28.12 Willful defaulter

During the current year and previous year, the Companies within the group has not been declared as willful defaulter by any bank or financial institution or other Lender.

28.13 Relationship with struck off companies

During the current year and previous year, the Companies within the group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013.

28.14 Compliance with number of layers of companies

The Companies within the group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.



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28.15 Utilisation of borrowed funds and share premium

During the financial year ended March 31, 2023, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Companies within the group to or in any other person or entity, including foreign entity ("Intermediaries") during the current year and previous year, 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 Companies within the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds (which are material either individually or in the aggregate) have been received by the Companies within the group from any person or entity, including foreign entity ("Funding Parties") during the current year and previous year, with the understanding, whether recorded in writing or otherwise, that the Companies within the group 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.

28.16 Undisclosed income

During the current year and previous year, the Companies within the group do not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

28.17 Other additional amendments under Schedule III

i. The Companies within the group are not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Companies within the group has no CIC as part of the Companies within the group.

ii. The Company having borrowing facilities from a bank on the basis of security of current assets which have been closed during the year, the amount shown in quarterly returns or statements for the June and September quarter were derived from the unaudited and provisional books of account. The details with respect to trade receivable and trade payable submitted in statement for the quarter ended June 30, 2022 and September 30, 2022 are in agreement with books of account, however, inventory valuations are not maintained in books of account therefore management has calculated manually and submitted with the bank. As regards the disclosure of discrepancies, if any, envisaged to be disclosed as part of additional information were not made due to the unfinished summary of reconciliation in this regard. However, the management of the company does not foresee any reasons for material discrepancies nevertheless figures submitted in quarterly returns or statements were provisional and unaudited in nature and subject to reconciliation.

28.18 The Holding and its subsidiary companies have passed various special resolutions to increase limits u/s 180(1)(a), 180(1)(c), 185 and 186 of the Companies Act, 2013 during the previous year. The respective companies have regularized these delays in due course.

28.19 As relationship of Holding and Subsidiary Company came into existence during the previous year. Therefore previous year figures given in consolidated financial statements are not comparable with the current year figures.

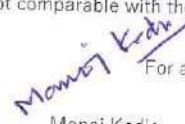
As per our Report of even date attached
For SINGHI & CO.

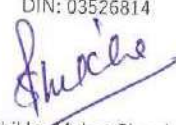
Chartered Accountants
Firm Reg. No.: 302049E




Bimal Kumar Sipani
Partner
Membership No. 088926

Place : Noida (Delhi-NCR)
Date: September 30, 2023



Manoj Kedia
Director
DIN: 03526814


Shikha Mehra Chawla
Company Secretary



For and on behalf of Board of Directors


Vishal Kanodia
Managing Director
DIN: 00946204


Satyaprakash
Chief Financial Officer