

**UCWL** UDAIPUR CEMENT  
WORKS LIMITED

# STRENGTHENING WHAT LIES AHEAD

Building a Sustainable Future



INTEGRATED ANNUAL REPORT 2022-23

# OUR APPROACH TO INTEGRATED REPORTING

This first integrated annual report of Udaipur Cement Works Limited (UCWL) provides detailed disclosures on our strategy, governance and prospects, through which we have brought in greater transparency in sharing information on our material issues and strategic performance. It contains information and disclosures that are aimed at enabling investors to make an informed assessment of the Company's ability to create and deliver holistic value.

As part of our commitment to provide disclosures that go above and beyond the requirements of the law, we have based our integrated annual report on the Integrated Reporting (IR) principles, a global standard for best practices in corporate reporting. With each passing year, we continue to add more disclosures to our report to give all our stakeholders meaningful information on how we create value using diverse resources so they can make informed decisions.

## REPORTING BOUNDARY

The information covered in the report is for the period of April 1, 2022 - March 31, 2023 and encompasses all key facets of UCWL's primary operations. The key material aspects identified and discussed are relevant to the operations of the Company, as well as its value chain partners, customers, communities and other stakeholders. We have detailed the Company's performance trend over years, wherever relevant, to give investors a clear understanding about the Key Performance Indicators (KPIs) that are contributing to the value creation.

## REPORTING PRINCIPLES

This integrated annual report is guided by the framework of the International Integrated Reporting Council (IIRC). Some data related to this integrated report might be management estimates. Other statutory reports, including the Board's Report, Corporate Governance Report and Business Responsibility and Sustainability Report are as per the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the prescribed Secretarial Standards.

## APPROACH TO MATERIALITY

We have succinctly applied the principles of materiality in assessing what information is of interest to our stakeholders and should be included in our integrated annual report. We have thus focused in this report on the issues,

opportunities and challenges that have a material impact on our business and our ability to deliver sustained value to our shareholders and key stakeholders. We consider an issue to be material if it can substantively affect the organisation's ability to create value over the short, medium and long term. We have considered the impacts of these material issues on our business and also how our business impacts these issues within our sphere of influence. Material matters communicate organisation's long-term business strategies and goals, as well as its short-medium term business plans. We take inputs from all our business units and key stakeholders to identify the potential material matters and accordingly prioritise the material issues in order of their relevance and potential impact.

## FORWARD LOOKING STATEMENTS

In this integrated annual report, we have disclosed information to enable investors and shareholders to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain information that set out anticipated results based on the UCWL Management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that all projections will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should any known or unknown risk or uncertainty materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise; given the dynamic nature of the topics considered for discussion.

## FEEDBACK

Your comments and feedback are of great importance to us. We would be glad to address any queries or observations that you may have with regard to our various future-aligned initiatives, our performance or this report.

# CORPORATE INFORMATION

- Udaipur Cement Works Limited (UCWL) is a Public Limited Company, incorporated on 15<sup>th</sup> March, 1993. Its Plant and Registered Office is situated at Udaipur, Rajasthan
- UCWL is a subsidiary of JK Lakshmi Cement Limited (JKLC), a renowned name in the Indian Cement Industry from four decades
- UCWL is a part of the prestigious business conglomerate “**JK ORGANISATION**” (**JKO**) that has rich business legacy of more than 135 years and boasts operations in India and abroad; with a leadership presence in the fields of Cement, Tyre, Paper, Agri-Genetics and Dairy Products
- UCWL is listed on BSE Ltd. since 1995
- Further, the Company has recently issued Non-Convertible Debentures, which are listed on WDM segment of BSE Ltd.
- Presently, UCWL enjoys an ‘**AA**’ (**DOUBLE A**) and **A1+** (**ONE PLUS**) Rating from **CARE and CRISIL** for Long-term Facilities and Short-term Facilities respectively

## **POONAM SINGH**

Company Secretary

## **PRANAV CHITRE**

Chief Financial Officer

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## **REGISTERED OFFICE AND WORKS**

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

## **SECRETARIAL DEPARTMENT**

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

## **REGISTRAR AND SHARE TRANSFER AGENT**

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

Phone: 011-41406149-52

E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

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## **CORPORATE OFFICE**

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

## **BANKERS**

Axis Bank Limited | RBL Bank Limited  
State Bank of India | Indian Bank  
HDFC Bank Ltd.

## **AUDITORS**

Bansilal Shah & Co.  
Chartered Accountants, Udaipur

## **COMPANY WEBSITE**

[www.udaipurcement.com](http://www.udaipurcement.com)

# STRENGTHENING WHAT LIES AHEAD

## BUILDING A SUSTAINABLE FUTURE

With high allocation under the Union Budget 2022-23 for infrastructure, affordable housing Government schemes such as MGNREGA, PM Garib Kalyan Rozgar Abhiyan and Road and Railway projects to fuel the economy, the domestic cement industry is poised for a volume surge and will boost the demand for cement. On a positive, with the upcoming general elections in 2024, there is a strong anticipation of uptick in pre-election construction and a surge is expected in demand.

With the favourable current and future cement demand scenario, Udaipur Cement Works Ltd. (UCWL) is at the tipping point of exploring these opportunities to the fullest and strengthening its position in the market. With major capacity expansion plans for cement and clinker production during the current fiscal, UCWL is all set on a firm ground to meet the future with responsible and sustainable strategies and operations.

Right across every stream of the value chain of mining - sourcing - production - packing - logistics - distribution network - influencers - customers - environment - community - stakeholders, UCWL's core strength is to partner and deliver sustainable value with best-in-class efficiency and timeliness.

As the years pass, UCWL is strengthening core of every function and business excellence to be

future-ready and thereby, enabling it to meet the demands seamlessly. Be it strengthening research and development capabilities or be it being ahead of the curve in digital transformation or be it developing rock-solid channel partner, influencer, customer and stakeholder long-term relationships, UCWL is at the forefront of implementing meaningful strategic goals.

Having said that, future belongs to the planet and how we dutifully conserve and nurture mother earth while accomplishing our business objectives. To enable sustainable sourcing and responsible production, UCWL is committed to usage of alternate raw materials, alternate fuels and renewable energy. There is an increasing focus on energy conservation, waste management, water positivity, bio-diversity and de-carbonisation.

UCWL has imbibed the culture of caring for its people and community. While strictly abiding to the UN Human Rights' Principles, UCWL is an equal opportunity and zero-discrimination organisation. Community development has always been the most important focus and through education, health and hygiene, training and empowerment programmes, UCWL is hand-in-hand with the community for its progress.



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# UCWL AT A GLANCE

Udaipur Cement Works Ltd. (UCWL) is a part of JK Organisation, which embodies a perfect blend of rich legacy of over 135 years and modern work culture. JK Organisation, a very well respected name in the Indian Industry, is contributing in various sectors important to the national growth. Its major interests are in the field of production of Tyres, Paper, Cement, Automotive Transmission System, Agri-Genetics, Dairy Products, Education, etc. JK Group has been committed to 'Make in India' even in the pre-independence era by manufacturing products of impeccable quality to substitute imported goods. It has been in cement business for over four decades and distinguishes itself based on its innovative practices and initiatives aimed at customer satisfaction.

All products of the JK Organisation have a strong brand recall and enjoy a significant market share in their respective segments. The strong brand equity of the JK Organisation has been built through use of latest technologies, continuous research and development, innovation and professional management. JK Organisation has set up highly reputed research and development institutes in various fields.

The Company's philosophy is based on sustainable growth and developmental framework that works for a better tomorrow. We relentlessly focus on product quality, customer satisfaction and innovation. This has helped us push the boundaries and tap the immense potential for development in the infrastructure and construction sectors in the Country. Right from gaining foothold in the new and emerging markets in the country to invest in the latest R&D, we have continued to be a resilient performer despite constantly evolving challenges of the cement sector.

The Company has ingrained "Sustainable Development" as one of the key ethos of its daily business activity; led by the Integrated Sustainable Development Policy for its system structures. The working principles of the Company have been aligned to contribute to the Nation's commitment to meet the United Nations – Sustainable Development Goals (UN-SDGs).

## KEY HIGHLIGHTS

- The Company has an integrated cement manufacturing unit with an installed cement

production capacity of 2.2 million tons per annum (MTPA).

- With the blend of modern technology and rich legacy, UCWL manufactures world-class cement under the brand name – Platinum Heavy Duty Cement. This cement is made using latest superior PSD Technology which provides a wide array of benefits to the consumers like 10% more volume, high initial strength, superior workability and fast setting.
- UCWL has a strong network of about 650 cement dealers spread in the States of Rajasthan, Gujarat and Madhya Pradesh, which has helped us to serve our customers far and wide in different regions of States.
- The Company did not rest on its laurels and went an extra mile to deliver the highest form of premium offering – Platinum Supremo Cement, positioned as Roof Specialist with a brand promise – "Ab Har Roof Bane Zabardast Strong". The Brand is built around the five Supreme pillars of a long-lasting roof i.e. strength, fineness, bonding, servicing and packaging.
- The Company upholds the highest levels of system standards such as ISO Certification for Environment (14001), Occupational Health and Safety (45001), Energy (50001) and Quality Management (9001) Systems. Going beyond the general industry practice, the Company has also inventoried its carbon and water footprint as per ISO 14064-1 and ISO 14046.
- In line with the agenda of climate change and the COP26 commitments made by the Nation, today the Company has consumed about 63654 MWh of green energy (Solar + WHRS) which has mitigated around 51,560 Tons of CO<sub>2</sub> emissions in last FY:2022-23.
- Being a resource-responsible corporate, the Company has done considerable work in water conservation and stands almost 3.6 times water positive and has saved about 4.11 Lakh Tons of virgin natural resources by replacing them with other industrial waste-derived raw materials in the process.
- UCWL is having 6 MW Waste Heat Recovery Power Plant and 15.5 MW Solar Power Plants (incl. Floating Solar). Presently, UCWL sources about 48% of its power requirement from green energy sources.

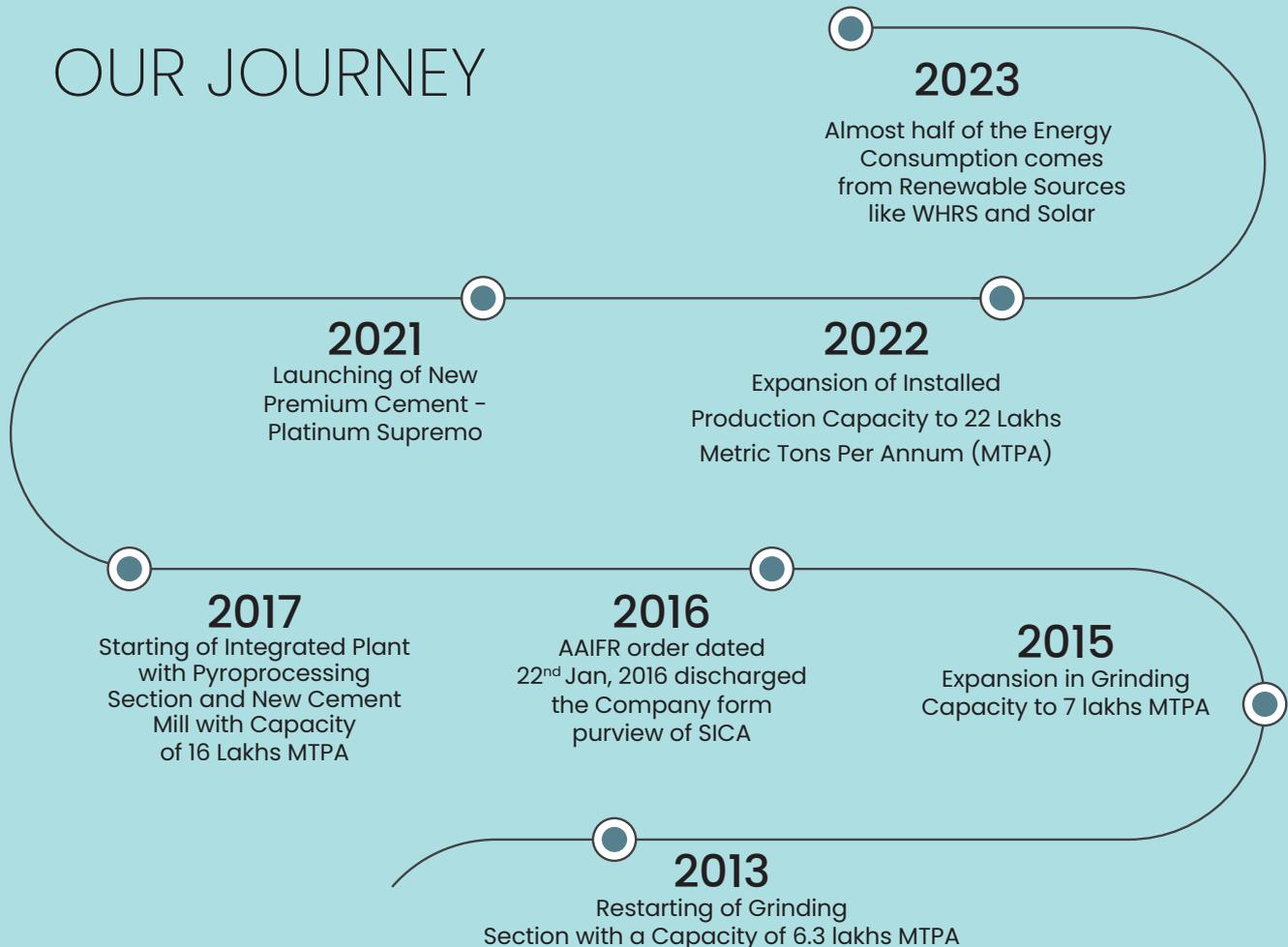
## VISION

- To grow and foster into one of the leading customer-centric cement companies and a promise to deliver products with the latest technology.

## MISSION

- Customer gratification to be one of the predominant objectives
- Strive to achieve operational excellence
- Work towards a responsible corporate social attitude towards society
- Constitute a talented pool of employees to achieve success in all domains

## OUR JOURNEY





## Dear Shareholders, Associates and Team UCWL,

The global economic scenario has witnessed a series of disruptions and challenges over the past two years marked by trade wars, the COVID-19 pandemic, geopolitical conflicts, and subsequent lockdowns creating complexities. Despite efforts to alleviate the consequences of these challenges, the continuous uncertainties have had a notable effect on consumer and business confidence, ultimately impacting global economic growth.

After a strong recovery in 2021 – driven by robust consumer spending and some uptake in investment, with trade in goods surpassing pre-pandemic levels – there were increasingly gloomy developments in 2022, and a further growth dip in 2023 but projections for improvement in 2024.

## CHAIRPERSON'S MESSAGE

However, amid this challenging environment, India has rebounded strongly. India's GDP growth during FY 2021-22 has been favourably revised upward from 8.7% to 9.1%, led by the manufacturing and construction sectors, indicating a more robust rebound. Similarly, in FY 2022-23, India's GDP growth has been among the highest in the world at an estimated 7.2%.

## Industry Trends and Outlook

Substantial capacity is being added to the cement industry, but a more than proportionate consumption growth is likely to improve the capacity utilisation levels in the near future. The industry is likely to witness ~9% y-o-y volume growth in FY 2023-24, supported by sustained demand from infrastructure projects and recovery in individual housing demand. The upcoming general election of 2024 will generate pent-up demand in the ongoing year. The government is expected to prioritise the completion of ongoing projects, leading to increased economic activity and investment. Pre-long-term growth expectations are to be in the range of ~7% to 8% mainly driven by higher projected growth in these two sectors. Cooling off energy costs is a positive indicator for the industry but there are concerns regarding negligible forward movement on cement prices.

## Performance

Throughout the year, we have maintained an unwavering focus on achieving growth with sustainability. Despite facing limited opportunities, we have remained committed to our agenda. We have diligently worked to control costs, make incremental operational improvements, and enhance our sales and market share. Our efforts have been directed towards balancing growth with long-term viability, ensuring that our progress is sustainable and aligned with our strategic objectives.

Our focused efforts have indeed yielded positive outcomes. The Company has achieved commendable growth in both production and sales in the past year. Notably, the net sales of the Company have witnessed a substantial 18% increase in FY 2022-23 compared to the previous year. Additionally, the sales volume has reached 20.35 lakh tons in FY 2022-23 from 19.49 lakh tons in FY 2021-22.

Despite facing significant challenges such as the notable increase in fuel costs during FY 2022-23, which put pressure on margins, the Company has managed to deliver a satisfactory performance. This has been made possible through the implementation of various efficiency improvement measures, optimisation of the product mix, and geographical mix. These strategic initiatives have enabled the company to navigate challenging market conditions and achieve positive results.

By continuously improving efficiency parameters and adapting to changing market dynamics, we have effectively mitigated the impact of cost pressures and enhanced our overall performance. Our focus on optimising the product mix and expanding into new geographical markets has further contributed to our success. These

accomplishments underscore our commitment to sustainable growth and resilience in the face of challenges.

During the year, your Company successfully commissioned a floating solar power plant of 1 MW, the first of its kind in the state of Rajasthan and in the Indian cement industry. This has resulted in an increase in the share of renewable energy of the Company to more than 48% of its total power requirement.

The Company is currently executing an expansion project that involves the addition of new clinker line with a capacity of 1.50 million tonnes per annum and a cement grinding unit of 2.50 million tonnes per annum. The clinkerisation line is projected to be commissioned during the third quarter of FY 2024 and the cement grinding in the second quarter of FY 2025, as originally scheduled. Upon completion of the project, the clinker capacity will be enhanced to 3 million tonnes per annum, and the cement grinding capacity will increase to 4.70 million tonnes per annum.

## Awards & Accolades

Collective efforts by all our stakeholders have been well recognised in the industry and your Company has been awarded as India's fastest growing cement company in the small category 2022 by the Indian Cement Review (ICR).

I would like to take this opportunity to express my heartfelt gratitude to all our valued customers, esteemed business partners, dedicated associates, reliable suppliers, and esteemed members of our organisation. Your unwavering loyalty and confidence in us have been instrumental in our success, and we deeply appreciate your continued support. I would also like to extend my gratitude to our employees, who are truly the cornerstone of our organisation.

As we embark on an exciting journey towards a promising future, I am grateful for the partnership we have established and nurtured with all our stakeholders. Your support has been invaluable, and it is our hope that we can continue to count on your support and collaboration in the days to come. The future holds immense potential and abundant opportunities, and we are confident that together, we can achieve even greater heights.

Namaskar,



**Vinita Singhania,**  
Chairperson

## Dear Shareholders and Colleagues,

It is with this very appropriate and insightful thought that I would like to begin this message to you.

An organisation is like a human body and is a complicated assembly of different body parts that must work together cohesively to function as a single unit.

This thought while basic and simple, beautifully captures the essence of an organisation, comparing it to a human body where various parts must work harmoniously towards a common purpose. The alignment of people and processes within the organisation with a clear vision of the future is crucial in preparing and gearing up for what lies ahead. I am proud to state that your Company demonstrates this alignment and a strong vision for the future.

Considering the government's focus on infrastructure development, higher budgetary allocations, and initiatives for housing and infrastructure development, the outlook for the cement sector appears promising. Your Company recognises its additional responsibilities as a member of the hard-to-abate sector and plays its role as a contributor to India's holistic growth and development. The long-term strategy is focused on becoming a leading customer-centric company, fostering growth while prioritising sustainability.

The upcoming decade is of immense significance for the cement industry, as it will be marked by substantial efforts to attain the goal of net-zero emissions by 2050. Achieving this target requires a delicate balance between pursuing growth and implementing effective decarbonisation strategies. The industry recognises the challenge and is actively working towards finding innovative solutions to reduce its environmental footprint while ensuring sustainable development and continued progress.

Your Company is actively expanding its installed cement production capacity, showcasing its commitment to growth and meeting market demands. We will substantially increase our solar power generation capacity to cater to a significant portion of our electricity requirement through green renewable sources. The unique floating solar power plant at the Daroli Mines reflects the Company's innovative approach towards reducing carbon emissions and water evaporation.

Furthermore, we have taken the initiative of transporting cement in containers that not only reduces transportation costs but also contribute to lower scope-3 carbon emissions. These sustainable practices have positively impacted consumer needs and preferences, demonstrating your Company's commitment to sustainability.

The Company's efforts have been recognised and appreciated through numerous awards, highlighting its overall performance and reputation in the



market. By constantly striving for excellence and innovation, we have been recognised as "Asia's most promising Cement Brand" for Platinum Heavy Duty cement and also with the "Promising Brands Award" for Platinum Supremo by The Economic Times.

In the era of digitisation and automation, your Company is actively adopting digital solutions to improve its operations. This includes enhancing product quality, reducing energy consumption, ensuring timely maintenance, improving logistics, reducing the carbon footprint, and fostering long-term sustainability. The integration of technology has also enabled higher productivity levels and enhanced overall safety performance. Embracing digitalisation has also transformed customer communication using chatbots and mobile applications, providing a seamless experience.

In conclusion, I have strong confidence that the diligent efforts of all team members, along with the trust and support of stakeholders, will empower your Company to establish new standards and achieve remarkable milestones. Your steadfast dedication to growth, sustainability, and digitalisation will undoubtedly drive your company towards a future characterised by success and excellence.

All the very best.

Thank You.

**Shrivats Singhania**  
Director & CEO

## Dear Stakeholders, “Namaskar”

When the going gets tough, the tough get going. Our team firmly believes that any situation can be handled with teamwork, which by itself is epitomised by the principles of 3Cs namely collaboration, cooperation, and creative endeavour. When we collaborate and cooperate, everyone wins. Creativity and innovations are at their best in collaborative and cooperative environment. Competition is good as it brings, or it forces the best in everyone. However excessive or obsessive desire to compete can be counterproductive as it obliterates the spirit of collaboration and cooperation. In extreme situations in business, it leads to predatory pricing or price wars. In the short run it makes the consumer happy but in the long run it kills the competition, creates monolithic monopolies, kills efficiencies, and finally exploits the customers.

Rise in cement demand correlates with GDP growth as economic development requires heavy investments in infrastructure such as housing, roads, ports, etc. The cement demand growth to GDP growth multiplier (i.e., cement demand growth divided by GDP growth in the same year) witnessed an unprecedented drop in Fiscal Years 2020 and 2021, because of the pandemic-caused economic slowdown, but recovered rapidly in Fiscal Year 2022, with cement demand and GDP rebounding at a similar rate. Further, with higher cement demand growth of ~12% and GDP moderating to ~7% in Fiscal Year 2023, cement-demand-to-GDP ratio improved sharply to ~1.7 times. We expect the multiplier to remain >1, but to decrease marginally next Fiscal Year, as cement demand increase moderates to 8-10% on a favourable base, while GDP growth slackens to ~6% because of global economic slowdown, transmission of interest rate hikes to consumers (leading to weakening industrial activity), and as the catch-up in contact-based services fades.

Cement demand grew by a healthy 12% in Fiscal Year 2023. High construction costs, which impacted demand in the early months, witnessed some cooling off in the second half of the fiscal. Demand was supported by tailwinds from strong demand for rural housing and infrastructure. The individual housing segment, especially rural, which was expected to bear the brunt of inflation in the early months of the Fiscal Year, fared well in the second half amid cooling construction costs, higher rural income owing to healthy yields and increase in crop prices, indirectly supporting demand growth from the rural housing segment. Infrastructure continued its strong growth momentum, led by government spending, primarily across its flagship schemes such as PM Gati Shakti and the National Infrastructure Pipeline.

During FY 2022-23, your Company has continued to efficiently utilise the renewable resources. Our power generation from Renewable resource (WHRS+Solar) was more than 48% in FY 2022-23. Our utilisation of waste derived materials (Jarosite, Fly Ash, FF Slag and Chemical Gypsum) in FY 2022-23 was around ~4 Lakh MT which is about 27% of our Cement Production for the said period. Despite the impacts of the



## WHOLE-TIME DIRECTOR'S MESSAGE

macroeconomic factors at global and national level, our Cement Production for FY 2022-23 vs FY 2021-22, stood at 14.69 Lakh MT vs 13.05 Lakh MT a rise of 13%, whereas Total Sales volume for FY 2022-23 increased by 4% to 20.35 Lakh MT from 19.49 Lakh MT in FY 2021-22.

On the CSR front, the Company continued its journey of strengthening community relationship based on the four pillars – Health, water & sanitation, education, livelihood & skill development.

Your Company has received various awards in multiple fields, namely State Safety Awards 2022 for efforts to promote high standards of competence and compliance of Health, Safety and Welfare provisions under Factories Act, 1948 from Rajasthan Factory and Boiler's Office; Certificate of Appreciation from National Safety Council of India Safety Awards in the manufacturing sector; Rajasthan Best Employer Brand Award 2022 from 'Employer Branding Awards, Jaipur'; as well as the Platinum Award at '13th Exceed Occupational Health Safety & Security awards 2022' from "Sustainable Development Foundation" for best practices in industrial security. Our Daroli Limestone Mines has been awarded by 'Indian Bureau of Mines, Ajmer Region' during the 32nd Mines Environment and Mineral Conservation Week. 38 UCWL employees have been awarded with 'Certificate of Achievement' for 'ISO Internal Auditing' by the Bureau Veritas.

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

Kind Regards,



**Naveen Kumar Sharma**  
Whole-time Director

# GOVERNANCE AT UDAIPUR CEMENT WORKS LTD.

## COMPANY'S PHILOSOPHY

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



Commitment to excellence and customer satisfaction



Maximising long-term shareholders' value



Socially valued enterprise



Caring for people and environment

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

## CORPORATE GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS



Board Committees



Audit	Nomination and Remuneration	Stakeholders' Relationship	Corporate Social Responsibility	Risk Management	Committee of Directors
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Senior Management Team



**Near to 100% Attendance of the Directors in all the Board Meetings held during FY 2022-23**





**BOARD'S COMPOSITION**

The Company is compliant of regulatory requirements and is comprised of adequate number of Executive and Non-executive Directors as also Independent and Non-independent Directors.



**SKILLS / EXPERTISE / COMPETENCIES**

All the Board Members possess core skills /expertise / competencies required in the context of the Company's business and sector that enable them to make effective contribution to the Board and its Committees.



**COMPLIANCE MANAGEMENT**

The Board periodically reviews Compliance Reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any. With a view to foster an improved compliance reporting and monitoring in the Company, the Company has a web-based legal compliance tool. Further, legal risks are monitored and mitigated through regular review of changes in the regulatory framework.



**SUCCESSION PLANNING**

Plans are in place for orderly succession for appointments to the Board and to Senior Management.



**CODE OF CONDUCT / ETHICS AND TRANSPARENCY**

The Company has in place a "Code of Conduct for Board Members and Senior Management". The Company has in place a "Code of Corporate Ethics and Conduct" reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly lays down the core values and corporate ethics to be practiced by its entire management cadre. The Company also has in place a policy on Vigil Mechanism (Whistle Blower Policy) for the Directors and Employees of the Company to report their genuine concerns or grievances. The said Codes / Policy further extends to the Suppliers / Contractors / NGOs / Others, as applicable, and any other event which would adversely affect the interests of the business of the Company. Therefore, the Company encourages its Suppliers/ Contractors / NGOs / Others to practice to the same extent in a fair manner.



**PERFORMANCE EVALUATION**

The Nomination and Remuneration Committee has specified the parameters for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the specified performance criterias. Also, Independent Directors assess the performance of the Non-independent Directors, Board as a whole and the Chairman.

**KEY BOARD POLICIES**

<b>Nomination and Remuneration Policy</b>	<b>Policy on Materiality of Related Party Transactions ('RPTs') and on Dealing with RPTs</b>	<b>Corporate Social Responsibility Policy</b>	<b>Dividend Distribution Policy</b>
<b>Vilgil Mechanism / Whistle Blower Policy</b>	<b>Code of Conduct for Board Members and Senior Management</b>	<b>Policy for Determining Materiality of Events</b>	
<b>Code of Practices and Procedures for Fair Disclosure of UPSI</b>	<b>For more details about Company's Policies, visit: <a href="https://udaipurcement.com/companys-policies-and-other-information/">https://udaipurcement.com/companys-policies-and-other-information/</a></b>		

**Prevention of Sexual Harassment:** The Company is sensitive to women employees at workplace. The Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work place(s) to redress the complaints of women employees. ZERO complaints have been filed and no complaint is pending with ICC.

**Services to Investors:** The Company lays great emphasis on promoting better services to the Investors and take several investor-friendly measures from time-to-time. The Company has not made any default in repayment of its financial obligations. The Company does not have grievances of investors / shareholders, except few minor grievances of routine nature.

# GOVERNANCE

## BOARD OF DIRECTORS



### SMT. VINITA SINGHANIA

71 years, is a businesswoman and an Industrialist, with diversified and rich business experience. Smt. Singhania has been Director of several industrial and other companies. She has long experience of managing cement business and actively interacts with various association of cement industry on important issues. Smt. Singhania is the Vice Chairman & Managing Director of JK Lakshmi Cement Limited, the Holding company. She is also on the Board of HEG Limited and various other companies. Smt. Singhania looks after interaction with associations of the cement industry and HRD function of the Company. She has been instrumental in shaping the HR culture of the Company. Further, Smt. Singhania takes keen interest in promoting CSR activities. It is also noteworthy to mention that the Company has been regularly receiving awards in different categories, such as – environment, safety, quality, CSR, HR etc. Smt. Singhania has the distinction of being the first woman President of Cement Manufacturers Association (CMA) as well as National Council for Cement and Building Materials (NCBM). She was elected unanimously as the President CMA in October 2009. She has been conferred with 'Woman of the Year' by Uday India; Construction Woman of the Year 2016 by Construction Times and Most Powerful Woman of the Year by India Today. Adding yet another accolade to her long list of achievements, Smt. Singhania was the much deserved recipient of the Mahatma Gandhi Award on 1st October 2019 on her innumerable accomplishments and keen business acumen at the helm of the Holding company. In 2022, she was conferred with Ladies FICCI FLO Awards of Excellence for Excellence in Entrepreneurship and also got 'Best Family Business Award' led by women by Money Control Pro (Network18).



### SHRI ONKAR NATH RAI

81 years, holds an engineering degree and has wide technical knowledge and experience in management of Cement and Sugar businesses. He joined the Board of the Company on 14th November 1996 and has rich experience of over 50 years in the industry in various management capacities.

He is an Independent Director on the Board and brings with him, besides his wide knowledge, a diverse perspective in Board deliberations.

### SHRI SURENDRA MALHOTRA

82 years, is a mechanical engineer with Post Graduate Management qualification from West Germany. Shri Malhotra has over 50 years of work experience in various capacities and also holds Board level positions in corporate sector for over 20 years. Presently, he serves on the Board of various



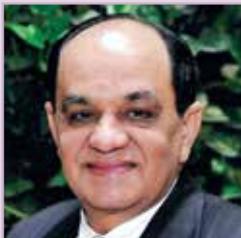
### SHRI SHRIVATS SINGHANIA

39 year, is a graduate in B.Sc. (Hons. in Business and Management) from IILM, New Delhi associated with Bradford University, U.K. and an Associate of Arts from Landmark College, Putney, VT (USA). He has developed entrepreneurial skills through participation in several management development programmes including "Immerging Leaders Programme"

conducted by London Business School and Programme on "Effective Communication for Managerial Success" by IIM – Lucknow, to name a few. Shri Singhania belongs to the large and well reputed 'JK Group', a diversified industrial conglomerate comprising of large companies engaged in manufacturing of paper and boards, cement, tyres & tubes, v-belts, oil seals, hybrid seeds, dairy products, textiles, system engineering, power transmission, defence equipment, health care and clinical research etc. He has had extensive training in different positions & levels and gained a diversified and rich business experience of more than 10 years including in marketing of paper business and cement manufacturing activities in JK Group Companies besides conceptualisation and setting up of 3D printing services and a restaurant. Shri Singhania has been on the Board of the Company since 2018 and appointed as Director & CEO w.e.f. 31st January 2023. Presently, he is also a Director on the Board of Param Shubham Vanijya Ltd.

companies like J.K. Fenner (India) Limited, BMF Investments Limited to name a few. He was formerly the Managing Director of Orissa Synthetics Limited. Shri Malhotra has represented the industry and Trade bodies in Joint Business Councils with other countries and has been a member of business delegations representing the country. Shri Malhotra is a fellow of the Institution of Engineers and member of All India Management Association. He is also a member of India International Centre besides his involvement in various other sports, social and cultural organisations.

He is an Independent Director on the Board since 2018 and brings with him, rich experience in strategic business and commercial matters.



### SHRI VINIT MARWAHA

71 years, is a commerce graduate. He joined the Board of the Company on 3rd March 2004. Shri Marwaha has a vast experience in field of taxation. He also holds directorships in unlisted companies like Enviro Tech Ventures Ltd., Rouncy Tradings Private Limited, Saptrishi Consultancy Services Limited, Pranav Investment (M.P) Company Limited to name a few.

He is an Independent Director on the Board since 2018 and brings with him, rich experience in taxation and corporate matters.



### SHRI NAVEEN KUMAR SHARMA

56 years, holds a Master's Degree in Manufacturing Management

(from BITS-Pilani) and in Mathematics (from Rajasthan University-Jaipur) in addition to Post Graduate Diploma in Environmental Studies (from Rajasthan University-Jaipur) and Post Diploma in Industrial Safety (from Regional Labour Institute (RLI), GOI, Kanpur). Shri Naveen Kumar Sharma has more than 30 years of experience of cement, steel and power industry in the areas of developing green field projects, operations, process optimisation, CSR, environmental and safety management. Shri Sharma is member of National Environment Committee and Climate Change Council of Confederation of Indian Industry (CII) - New Delhi, National Environment Committee of PHD Chamber of Commerce - New Delhi, and member of Technical Committee and Environment and Energy Task Forces of Cement Manufacturers Association of India (CMA) -New Delhi. Further, more than 30 papers, authored by him, have been published in various industry relevant issues in national and International magazines of repute.

He is the Whole-time Director on the Board since 2018.



### AMB. BHASWATI MUKHERJEE

69 years, is a post graduate (first class) in History from Delhi University and has a Degree (Superior) in French History and Civilisation from Sorbonne University, France. Ms. Mukherjee joined the Indian Foreign Service in 1976 and was India's Ambassador to UNESCO, Paris, from 2004

to 2010 and subsequently, India's Ambassador to The Netherlands, from 2010 to 2013.

She completed FICCI's course on 'Woman and Corporate Governance'. She successfully cleared, with distinction, the Ministry of Corporate Affairs online proficiency test for Independent Directors in October 2020.

She has served as Independent Director in Sona BLW Precision Forgings Ltd. till August 2019 and Jindal Stainless Ltd. till 15th July 2023. Apart from Petronet LNG Ltd., she is presently serving as an Independent Director on the Board of JK Lakshmi Cement Ltd. and Jindal Ferrous Ltd. She has been elected as the Woman President of India Habitat Centre since March 2023.

A prolific writer, she has authored 3 books. 'India and EU: an Insider View' commissioned by Indian Council of World Affairs, a leading Indian think tank and published in August 18 in English and Hindi is a best seller. Her second book, also a best seller was 'India and EU in a Turbulent World' was published by Palgrave Macmillan in 2020. Her latest book, 'Bengal and its Partition: an Inside Story' published by Rupa and released in March 21, is a global best seller. Her latest book on "Indenture and its Route: a Relentless Quest for Identity" for Rupa Publications will be released in October 23.

She has also published over 100 articles, columns reports and monographs in leading national and international publications.

A natural orator, Ms. Mukherjee is a political commentator on TV on Indian culture and civilisation, the India EU relationship, Brexit, India's interests in the Indo Pacific, the chemical weapons regime, nuclear issues and the changing contours of India's Foreign Policy, apart from security issues of concern to India.

# GOVERNANCE

## CORE TEAM



**MR. PRANAV CHITRE**  
CHIEF FINANCIAL OFFICER

EXPERIENCE: 21 YEARS

**CORE COMPETENCY:**

Worked in India and Europe across diverse sectors, he is a member of the Institute of Chartered Accountants of India and holds a postgraduate degree in commerce.



**MR. DEEPAK SHARMA**  
SR. GENERAL MANAGER (ENGG.)

EXPERIENCE: 28 YEARS

**CORE COMPETENCY:**

With a wealth of experience in establishing full-scale integrated cement greenfield and brownfield expansion projects, he is specialised in engineering functions and the implementation of digital & automation technologies to enhance manufacturing capabilities of cement plants.

He is an engineering graduate in electronics & instrumentation and holds Post Graduate Diploma in Business Management.



**MR. K. P. SINGH**  
VICE PRESIDENT (MINES)

EXPERIENCE: 36 YEARS

**CORE COMPETENCY:**

Rich experience in Mining operation (Metal & Limestone) strategic planning & Liaisoning. He holds a Bachelors in Engineering (Mining), FCC (Metal)



**MR. TUSHAR KHANDHADIA**  
GM (PRODUCTION)

EXPERIENCE: 21 YEARS

**CORE COMPETENCY:**

He holds BE in Chemical Engineering, Energy Auditor Certification, and MBA in Operations and brings rich experience in operating cement plants and optimising their productivity, energy efficiency (Thermal & Electrical), and variable production costs for Cement and Clinker.



**MRS. POONAM SINGH**  
COMPANY SECRETARY

EXPERIENCE: 13 YEARS

**CORE COMPETENCY:**

A member of the Institute of Company Secretaries of India, she demonstrates a profound understanding of Corporate Laws and SEBI Regulations. Additionally, she serves as a Woman Director of Enviro Tech Ventures Ltd.



# PERFORMANCE HIGHLIGHTS

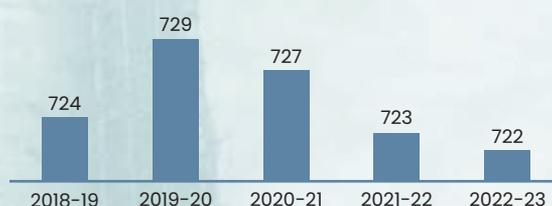
## Operational Highlights

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Clinker Production (Lakh Tons)	11.29	11.24	11.56	13.67	14.44
Cement Production (Lakh Tons)	10.78	8.51	9.64	13.05	14.69

Power Consumption (Kwh/MT of Cement)

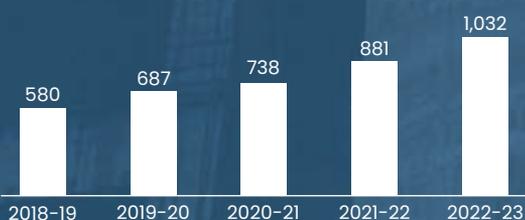


Fuel Consumption (K.Cal./Kg of Clinker)

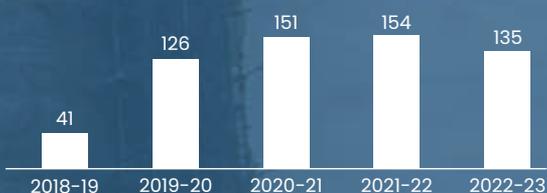


## Financial Highlights

Turnover (Incl. Other Income) (₹ in crore)



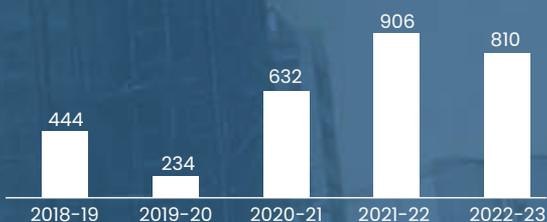
EBIDTA (₹ in crore)



Net Worth (₹ in crore)



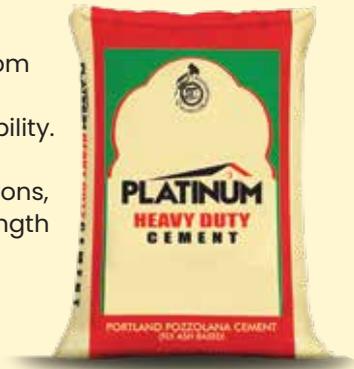
Market Capitalisation (₹ in crore)



## PRODUCTS

### PLATINUM HEAVY DUTY CEMENT

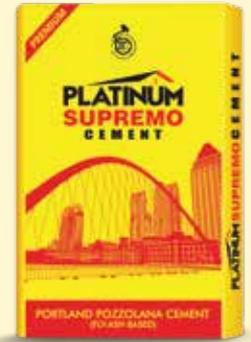
Platinum Heavy Duty Cement is designed specifically for robust construction projects. It embodies strength in every particle, reflecting our unwavering commitment to quality control – from ensuring the finest quality limestone to implementing stringent production processes. Our indigenous Platinum Heavy Duty Cement is a blend of perfection, precision and satisfaction. With the incorporation of high reactive fly-ash, it offers exceptional resistance against sulphates and chloride attacks. This safeguarding property shields reinforced bars from rust; ensuring long-lasting durability. A cement that exceeds expectations, providing the strength and reliability necessary for heavy-duty construction.



**Available in: OPC, PPC, PCC**

### PLATINUM SUPREMO CEMENT

Platinum Supremo Cement boasts of remarkable resistance to water, thanks to its distinctive chemical composition and particle packing technology. Notably, it requires less water for mixing mortar and concrete when compared to regular cement. Furthermore, structures constructed with Platinum Supremo Cement benefit from its low alkali content, resulting in enhanced durability. The Cement's PSD technology goes a step further by producing exceptionally solid concrete, effectively addressing concerns of leakage and dampness. This innovative feature sets it apart from regular cement options. Manufactured using high-quality premium raw materials, Platinum Supremo Cement guarantees superior performance and reliability. Its unique formulation and advanced production techniques contribute to the creation of a product that surpasses industry standards.

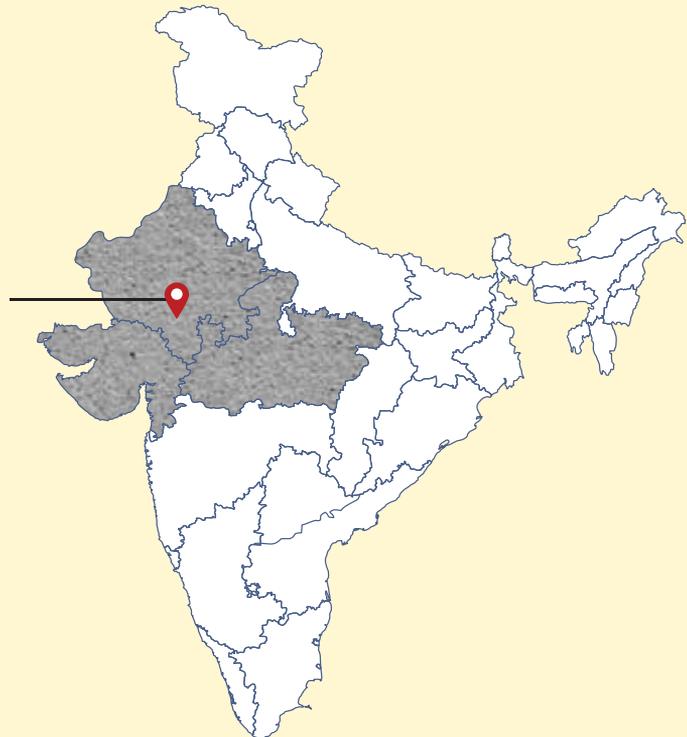


The combination of water resistance, durability and exceptional quality make Platinum Supremo Cement an excellent choice for a wide range of construction projects.

**Available in : PPC, PCC**

## OPERATIONAL REACH

**UDAIPUR  
INTEGRATED UNIT**



# INTRODUCING OUR CAPITALS



## FINANCIAL CAPITAL

A well-balanced funding mix (debt and equity) that is used to maintain and increase value across all capitals.

### INPUTS:

Shareholders' Equity	₹ 124.56 Crore
Net Debt	₹ 1,141.26 Crore
Fixed Assets	₹ 1,527.00 Crore
Retained Earnings	₹ 111.70 Crore
Net Worth	₹ 345.81 Crore

### OUTCOMES:

Revenue from Operations	₹ 1,030.97 Crore
EBITDA	₹ 135.04 Crore
PAT	₹ 35.86 Crore
ROCE	9.15%
Debt-equity Ratio	3.31
EPS	1.15



## MANUFACTURED CAPITAL

Infrastructure, including buildings, warehousing, logistics centres, and physical assets allow us to guarantee effective operations and produce long-term benefits.

### INPUTS:

2.2 MTPA Cement Production Capacity
1.5 MTPA Clinker Production Capacity

### OUTCOMES:

Cement Production – 1.47 MMT
Clinker Production – 1.44 MMT



## INTELLECTUAL CAPITAL

Our ability to create competitive products and gain market share is made possible by our scientific expertise, research and development (R&D) capabilities, information technology infrastructure and digitalisation.

### INPUTS:

Sales Effectiveness
Digital Transformation
Continuous Improvements
Manufacturing Excellence

### OUTCOMES:

Enhanced Customer Experience
Enhanced Decision Making
Enhanced Efficiency
Responsible Production



## SOCIAL AND RELATIONSHIP CAPITAL

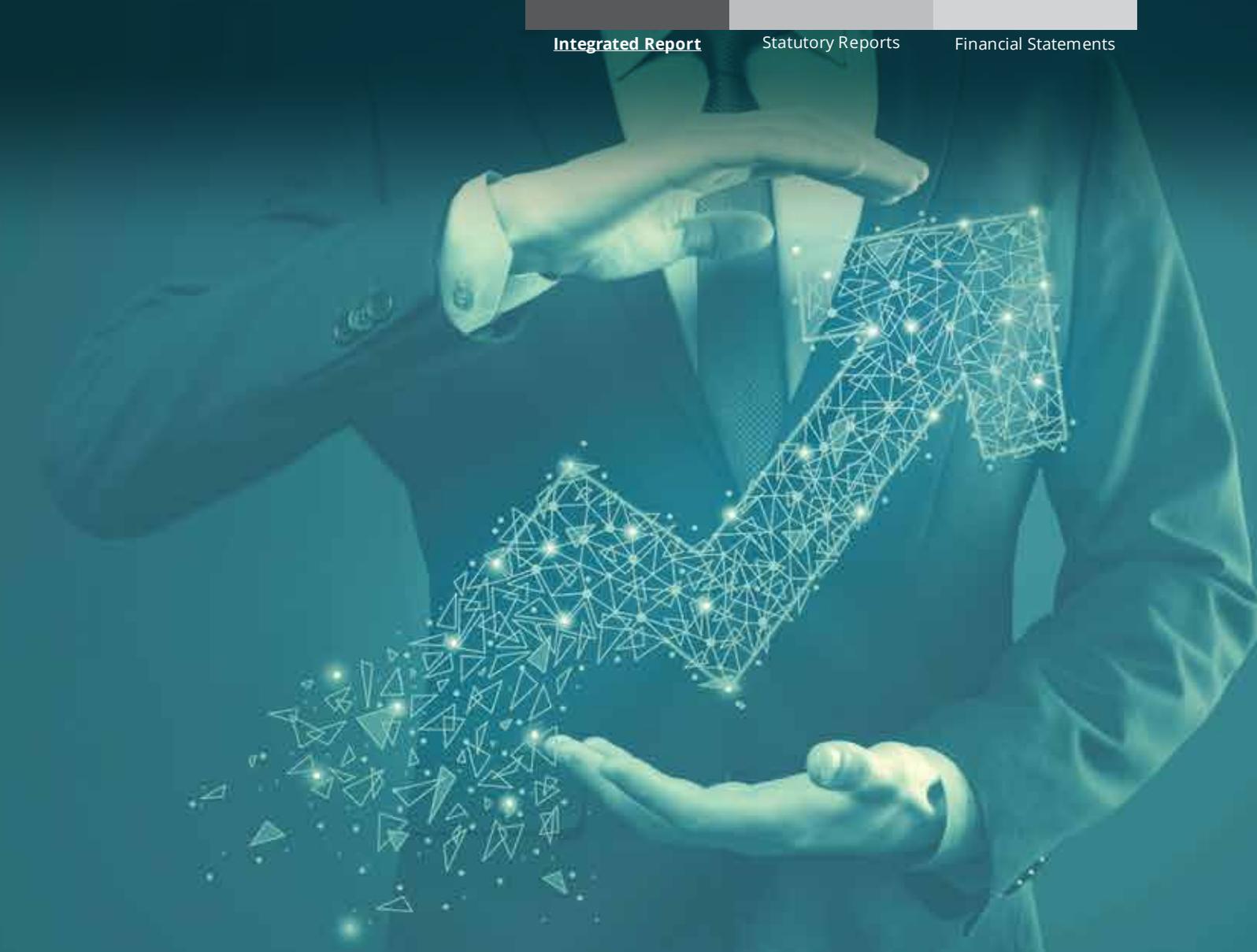
To maintain our status as a long-term partner of choice and maintain our operating licence, we work collaboratively with the communities, supply chain partners and customers.

### INPUTS:

Total CSR Expenditure: ₹ 96.04 Lakhs against the mandatory spend of ₹ 96.00 Lakhs.

### OUTCOMES:

Total No. of Beneficiaries – 70,179



**HUMAN CAPITAL**

Our ability to produce value is made possible by our personnel's knowledge, abilities, experience and motivation.

**INPUTS:**

Employees on Roll	306
Contractual Employees	41
Permanent Workers	34
Other than Permanent Workers	697

**OUTCOMES:**

Attrition Rate	Talent Attrition ≤ 1% , Voluntary Attrition ≤ 8%
New Joiners	47
ESS Survey Score	82%
Training	Man-days ≥ 4 Days per Person per Year



**NATURAL CAPITAL**

Natural resources, both renewable and non-renewable that we employ in our operations, create social and economic value as well as a positive impact on the environment.

**INPUTS:**

Total Green Energy Consumed	63,654 MWh
Total Emissions Mitigated	51,560 Tons of CO <sub>2</sub> Emission

**OUTCOMES:**

Rain Harvested Water Credit	18,96,107 KL
Recycled Water Credit	29,795 KL
Almost 3.6 times Water Positive	
Total Plastic recycled	1,680 MT

# STRATEGIC OBJECTIVES

Udaipur Cement Works Limited (UCWL), is a Public Limited Company, incorporated on 15th March 1993. Its registered office is situated in Udaipur, Rajasthan. The Company is a subsidiary of JK Lakshmi Cement Limited (JKLC), a renowned name in the Indian cement industry for about four decades, with an annual turnover of more than ₹ 6000 Crore. It distinguishes itself based on its innovative practices and initiatives aimed at customer satisfaction.

The Company is listed on BSE. Its philosophy is rooted in sustainable growth and a developmental framework to ensure a better tomorrow. We relentlessly focus on product quality, customer satisfaction and innovation. This has helped us to push the boundaries and tap the immense potential for development in the infrastructure and construction sectors in the country. Right from gaining a foothold in the new and emerging markets in the country to investing in the latest R&D, we have continued to be a resilient performer despite the constantly evolving challenges of the cement sector.

The Company has an integrated cement manufacturing unit with an installed cement production capacity of 2.2 million tons per annum (MTPA). The Company has ingrained 'Sustainable Development' as one of the key ethos of its daily business activities led by the Integrated Sustainable Development Policy for its system structures. The working principles of the Company have been aligned to contribute to the nation's commitment to meet the United Nations – Sustainable Development Goals (UN-SDGs). The Company upholds the highest levels of system standards such as ISO Certification for Environment (14001), Occupational Health and Safety (45001), Energy (50001) and Quality Management (9001) systems. Going beyond the general industry practice, the Company has also inventoried its carbon and water footprint as per ISO 14064-1 and ISO 14046.

In line with the agenda of Climate change and the COP26 commitments made by the nation, the

Company meets around 48% of its total electricity requirement from the green renewable sources, i.e., Solar and WHRS. During FY 2022-23, the Company ramped up its solar power generation capacity by 1.0 MW through the installation of the first floating solar power plant in Rajasthan, as well as in the Indian cement industry. This addition, combined with the existing 14.45 MW, brought the total capacity to 15.45 MW. The total generation capacity of this solar power plant is 15 lakh unit per annum, this will reduce Company's Scope II emissions by 1215 tons CO<sub>2</sub> per annum and which is equivalent to saving near about 55 thousand mature trees per annum. Moreover, this unique concept of floating solar power plant is also helping Company to save nearly 8,000 M<sup>3</sup>/Annum water due to decrease in evaporation losses.

The Company has also consumed about 63,654 MWh of green energy that has mitigated around 51,560 tons of CO<sub>2</sub> emissions. This is equivalent to around 23 Lakh mature trees mitigating CO<sub>2</sub> emissions/year. Being a resource – responsible corporate, the Company has done considerable work in water conservation and stands around 3.6 times water positive and has saved about 4.11 lakh tons of virgin-natural resources by replacing them with waste-derived raw materials in the process.

Blending modern technology with a rich legacy, UCWL manufactures world-class cement under the brand name-Platinum Heavy Duty Cement. The cement is made using the latest superior PSD Technology, which provides a wide array of benefits to the consumers like 10% more volume, high initial strength, superior workability, and fast setting. The Company has not rested on its laurels and has gone an extra mile to deliver the highest form of premium offering – Platinum Supremo Cement, positioned as a roof specialist with a brand promise 'Ab Har Roof Bane Zabardast Strong'. The Brand is built around the five supreme pillars for a long-lasting roof i.e. strength, fineness, bonding, servicing and packaging.



## OUR STRATEGIC AMBITION

Setting up a project for capacity expansion of 1.50 Mn. Tons of clinker and 2.50 Mn. Tons of cement capacity.	Installation of Solar Power Plants to further reduce power cost	Build capacity to achieve road map for volume and EBIDTA growth.
To be among the top five EBIDTA/Ton earning cement companies.	Consolidate leadership position in manufacturing efficiency.	Efficient supply-chain management to drive value without compromising on customer satisfaction.
Support our holding company in research & development ecosystem to come up with new & green products.	Use of emerging digital trends to drive value and efficiencies.	Continued focus on development of people capabilities and work on future ready organisation.
Adherence to the road map to achieve leadership position in ESG risk rating.	Implementation of laid down road map to achieve renewable energy and AFR targets.	Reinforce and consolidate our image as a responsible corporate citizen through value-adding and impactful CSR activities.

### ACHIEVEMENTS:



**Installed floating solar power generation plant of 1.0 MW, first floating solar in Rajasthan as well as in Indian Cement Industries**

Green logistic operations which will help us to reduce carbon footprint in scope-III emissions

### OUR COMMITMENT TO ESG:

To take our ESG drive to the next level, we at Udaipur Cement Works Limited, have undertaken several memberships to meet sustainable goals and to reduce our carbon footprint. These memberships and our commitments are as follows-

- **SBTi-** Under the science-based target initiative we are willing to limit the global temperature rise to 1.5°C above preindustrial level and we are also committed to net zero targets.
- **RE100-** We have set the target to meet 100% of our total electrical energy requirements through renewable energy by 2040 and the same has been committed to RE100 on Group level.
- **EPI100-** Under EPI100 membership, we have taken the target of doubling our energy productivity by 2040 from the baseline year 2015 on group level.
- **UN Global Compact-** Under the membership of UNGC we are committed to demonstrating progress made against the Ten Principles of the UN Global Compact and the Sustainable Development Goals (SDGs)
- **GCCA-India-** To align our sustainable goals and to develop our targets in line with Indian cement industries we have taken the membership of GCCA-India on Group level basis.

# RISK AND RISK MITIGATION



\* ESG: Environmental, Social & Governance

# Internal category (Int) & External category (Ext)

Risk Management Committee periodically evaluates on a comprehensive basis of all such risks, the impact of which are likely on the business in the short-term and long-term.

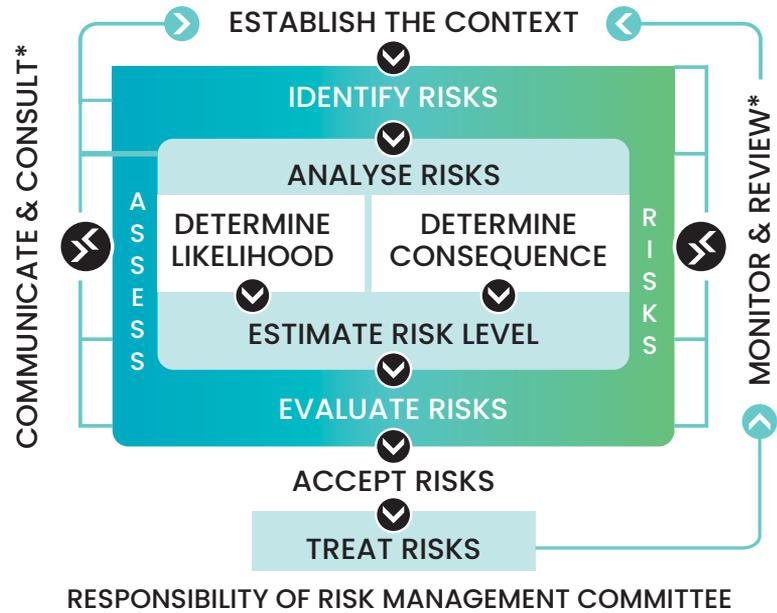
It reviews the steps which are being taken to mitigate such risks. The risks are assessed subject to their severity and likely impact on the Company's business.

The risk management process framework is based on the lines of ISO 31000:2018 standard. Risks have been categorised as under:

**BUSINESS RISKS:**  
Risks, impacting bottom line

**FINANCIAL RISKS:**  
Risks, impacting shareholders wealth

# RISK MANAGEMENT PROCESS:



## RISK MITIGATION & ACTION PLAN

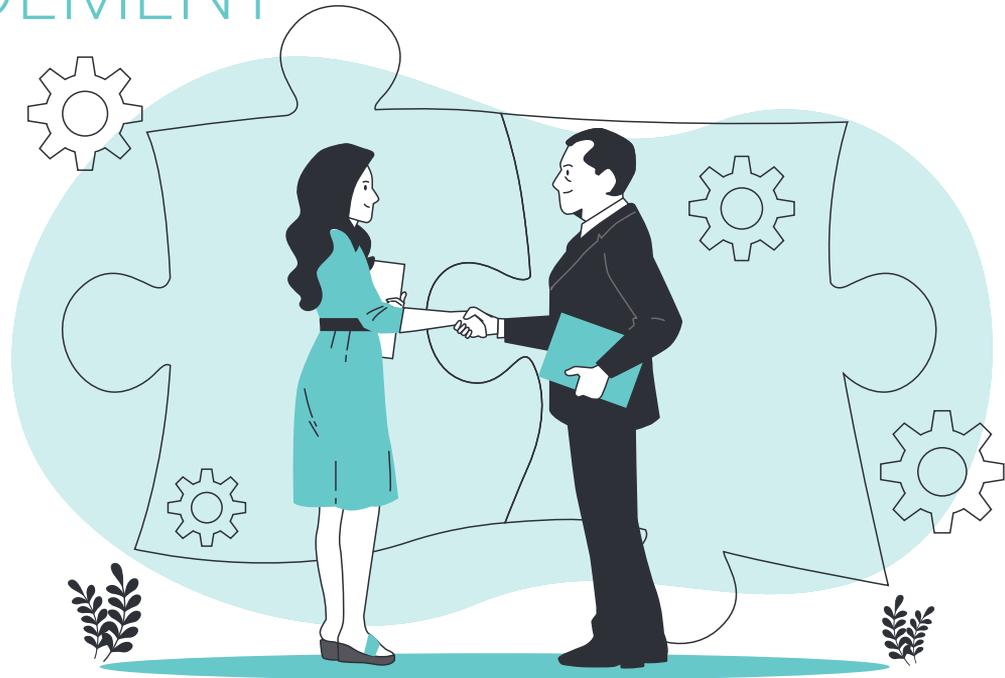
S. No.	Risk	Risk Description	Risk Mitigation & Action plan
1	IT/Cyber Risk	<ul style="list-style-type: none"> <li>• Business interruption</li> <li>• Loss of data</li> <li>• Leakage of Data</li> <li>• Network Intrusion</li> <li>• Threats to physical security of IT Assets</li> <li>• Malware and Ransome ware attack</li> </ul>	<ul style="list-style-type: none"> <li>• Deployemtn of competent human resource to take pro-active initiatives</li> <li>• Engagement model for security services like Firewall, Deep Security and Anti-virus</li> <li>• SEIM for 24*7*365 days monitoring</li> <li>• Access of all IT systems from outside have been upgraded to multifactor authentication. Backup solution for servers is getting upgraded to the next level</li> <li>• Network architecture of server room of primary and NDR will be changed to make the setup fail safe</li> <li>• 3 x 2 x 1 redundancy/back policy made effective for all IT information assets. Steps taken to strengthen data leakage prevention</li> <li>• Certified VPN client used to access VPN</li> <li>• Increased hardening of the application, OS, DB &amp; devices</li> </ul>

# RISK MITIGATION & ACTION PLAN

S. No.	Risk	Risk Description	Risk Mitigation & Action plan
2	Non - compliance & regulatory changes	<ul style="list-style-type: none"> <li>• Non compliance of applicable regulations may lead to imposition of penalties, suspension of operations and reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>• We have a robust system to track &amp; comply with regulatory changes.</li> </ul>
3	Stricter Environmental Regulatory Normal PWM Rule	<ul style="list-style-type: none"> <li>• Registration done under PWM Rules, under which the Company is obliged to co-process a certain percentage of the packing material quantity</li> </ul>	<ul style="list-style-type: none"> <li>• As per the Plastic Waste Management Rules, a Brand Owner &amp; Importer are having Extended Producer Responsibility to dispose off the equivalent quantity of plastic used for packing of product i.e. plastic packaging bag. Accordingly, plastic packaging material recycled from CPCB authorized recyclers.</li> </ul>
4	Potential Safety Hazard	<ul style="list-style-type: none"> <li>• Critical equipment failure</li> <li>• Technological risk</li> <li>• Explosion in boiler/coal mill</li> <li>• Explosion in storage of explosives and oil</li> <li>• Fire and electrocution</li> </ul>	<ul style="list-style-type: none"> <li>• Doing predictive maintenance and upgradation of technologies as and when required</li> <li>• Insurance policy is already in place for our plant to cover natural and other risks</li> <li>• CCE inspections and approval undertaken for storage of explosive, magazine and oil tanks regularly</li> <li>• Strong safety standards followed using technology to avoid any unwanted situation</li> </ul>
5	Exponential Increase in Coal/ Petcoke price	<ul style="list-style-type: none"> <li>• Rise in price has direct impact on variable cost</li> </ul>	<ul style="list-style-type: none"> <li>• Change in Fuel mix - Reduced Petcoke blend from 70% to 50%</li> <li>• Further reduce Petcoke% in fuel mix whenever coal prices are conducive</li> <li>• Usage of AFR to optimum level</li> </ul>
6	Lower Availability of Fly Ash	<ul style="list-style-type: none"> <li>• Seasonal demand variation</li> <li>• Outage uncertainty</li> <li>• Sourcing of power by Government from UMPPs</li> </ul>	<ul style="list-style-type: none"> <li>• Arrangement for fly ash storage</li> <li>• Provision of wet fly ash drying</li> </ul>

S. No.	Risk	Risk Description	Risk Mitigation & Action plan
7	Grid power availability and quality of power	<ul style="list-style-type: none"> <li>• Risk in continuous operation of plant</li> <li>• Critical equipment failure</li> </ul>	<ul style="list-style-type: none"> <li>• Regular inspection of grid overhead line i.e. ~ 6 KM length from GSS to UCWL</li> <li>• GSS Debari tripping setting review and changes as per relay coordination</li> <li>• WHRS Islanding Feasibility checking, team constituted for further study</li> <li>• Higher Impedance Transformer are under procurement to avoid higher fault current in the system</li> </ul>
8	Pending litigation matter- Labour cases	<ul style="list-style-type: none"> <li>• Labour cases-Gratuity, joining incentive, PF, etc.</li> <li>• Due to COVID, deferring in hearing dates</li> </ul>	<ul style="list-style-type: none"> <li>• Close follow up of all pending cases and taking required legal help to get the cases settled</li> </ul>
9	Risk on Brand Reputation	<ul style="list-style-type: none"> <li>• Reputation damage can be catastrophic, as reputation is one of the company's biggest assets.</li> </ul>	<ul style="list-style-type: none"> <li>• Make reputational risk part of strategy</li> <li>• Control processes via standardisation, technology, policies, and procedures to reduce the likelihood and severity of events that could cause reputational damage</li> <li>• Focus on a positive image and communication</li> </ul>

# STAKEHOLDER ENGAGEMENT



At UCWL, we stay engaged with our internal and external stakeholders who are fundamental to the success of our business. We proactively seek their valuable insights to understand their needs and expectations. These go a long way in helping us address emerging trends, manage and mitigate business risks and make use of existing market opportunities. Our key stakeholders are identified based on the value and expectations generated by them and their impact on the business.

We believe an effective stakeholder engagement process is necessary to achieve our business and sustainability goals and promote inclusive growth. Identifying and mapping the relevant internal and external stakeholders are key to this process. We engage with both internal and external stakeholders. Our engagement process gives us insight into the operating environment, keeping us abreast of the latest market trends, customer needs and understanding our growth opportunities. This helps us recalibrate our strategy in accordance with the needs and expectations of our stakeholder groups and ensure meaningful outcomes. We strive to ensure the health and safety, welfare and professional growth of our internal stakeholders, while

promising quality, accountability, responsible business conduct as well as sensitivity to social and environmental concerns to our external stakeholders.

Our efforts to create sustained value is informed by our regular engagement with our stakeholders that helps us understand their needs and expectations, understand our opportunities better and reduce risks to our operations. Established systems and processes help us identify, prioritise and address the needs and concerns of our stakeholders across all plant locations and other sites of operations. Various engagement processes such as customer satisfaction surveys, supplier meets or visits to plants, employee engagement events, regular meets with dealers and investors help us stay in touch with our stakeholders and develop strong relationships with them. This has created a win-win situation for us as this relationship contributes to and supports the development of each other.

We have a stakeholder engagement matrix that outlines how we engage with each stakeholder group, the frequency and channel of engagement and communications.

# STAKEHOLDER ENGAGEMENT MATRIX

Stakeholder	Frequency of engagement	Engagement mechanisms	Key concerns raised	Feedback mechanism
Shareholders 	Regularly	Email, letters, SMS, newspapers, meetings, company website, stock exchange, other statutory authority, roadshows	Disseminating and sharing of information with the shareholders with a view to update and also to seek their approval	Meetings, action plans
Institutional investors 	Need based	Annual general meetings, quarterly concalls, presentation on website	ROI and ESG performance	Interactive communication
Industry associations, knowledge partners 	Need based	Meetings, communication	Policy advocacy, technology and best practice sharing, ESG, awards and recognitions	Interactions, meetings, seminar & conference
Employees & Workers 	Daily, weekly, monthly, annually, need based	Roadshows, email, meetings, communication from top management	Employee well being, career development, grievance handling, conducive work environment & good culture, training & development, industry scenario	Performance appraisals, satisfaction surveys, other meeting forums
Customers 	Need based periodically	Roadshows, feedback surveys, customer needs, social media, campaigns, customer meets	Complaints handling, product communications	Customer satisfaction surveys and communicating with customers
Value chain partners 	Daily, weekly, monthly, annually, need based	Meetings, phone calls, emails	Customer relationship, product knowledge, quality & timely delivery, EHS & social policy deployment	Meetings, interactions
Communities 	Daily, weekly, monthly, need based	Meetings, messages	Community development, employment & livelihoods, support for health, water, education, sanitation etc. for better quality of life	Interactions, surveys, impact assessment
Statutory body 	Need based	Interactions, industry forum meets, compliance report	Compliance. Industry concerns, government expectations	Interactions

# MATERIALITY ASSESSMENT

Stakeholder inclusiveness is central to the materiality determination process. For UCWL, the stakeholder engagement—both internal and external—influences the organisation’s activities, product and services. It forms the basis to identify and prioritise materiality aspects. We review the progress on material aspects concerning our stakeholders on an on-going basis and communicate the progress on the same through various channels. Periodic discussions, reviews with the senior leadership help us focus our attention on prioritising and meeting the expectations of the stakeholder fraternity. From the above-mentioned sources, a list of all issues that could be material for our businesses is identified. Subsequently, the material topics are plotted based on their importance to stakeholders and their impact on business in a graphical presentation.

## STAKEHOLDER INTERACTION AND IDENTIFICATION OF MATERIAL ISSUES AND PRIORITISATION :

Like its holding company JKLC, UCWL is also engaged in cement manufacturing and selling. Accordingly, the Company has drawn its materiality issues from the JKLC corporate framework and deployed the risk mitigation strategies. The Company has considered 12 material issues to be of high concerns to Company’s business profile and stakeholders. Addressing these issues is an essential part of our business strategy and risk mitigation efforts. We believe that these are relevant material topics as they also reflect our vision, action plans and progress towards the diverse challenges faced by us across various aspects of sustainability.

### 12 MATERIALITY ISSUES ARE LISTED BELOW

Economic value and business performance	Integrity and transparency	Compliance to regulation	Energy and emissions	Water management	Supply chain management
Operational efficiency	Human capital development	Occupational health and safety	Community development	Customer satisfaction	Resource conservation

The Company has identified detailed risks on key material aspects that relate to all dimensions of sustainability to mitigate and create opportunity through innovation and consistency. Some key risks identified out of material aspects are given below:

Material Aspect	Business Risk	Financial Risk
Economic Value & Business Performance 	Poor business performance affects employee morale, productivity and innovation. It further hampers the reputation of the Company.	Poor business performance implies reduced business opportunities for an enterprise, meaning lower dividends for shareholders and increased cost of capital.
Customer Satisfaction 	Insufficient initiatives towards sustaining customer satisfaction hampers customer loyalty, leading to reduced market reputation and lower revenue from sales.	Inadequate initiatives towards sustaining customer satisfaction implies lower revenue from sales.

Material Aspect	Business Risk	Financial Risk
Integrity and Transparency 	Economic crimes such as corruption and bribery are unethical and consistently harmful to a Company's intangible assets such as reputation, business relationships and staff morale.	Unethical acts by an enterprise can bring about substantial reputational damage to a Company hence affecting its future earnings besides regulatory penalties.
Compliance to Regulation 	Involvement of an enterprise in cases of non-compliance may lead to reduced trust from stakeholders. Additionally business units may face closure due to non-compliance.	Sanctions and financial penalties may be imposed on an enterprise by the regulatory authorities for acts of non-compliance
Human Capital Development 	Lack of human capital development initiatives will lead to reduced employee productivity and poor turn-around time, leading to weak performance at the operational level.	Insufficient investment towards employee development will hamper the Company's overall performance and its progress towards its strategic targets leading to decline in revenues
Community Development 	Lack of community development initiatives can bring about hostility and unrest among the local community, thus endangering the Company's social license to operate.	An enterprise may incur fines in case of insufficient investment towards community development programmes
Occupational Health and Safety 	Insufficient investment towards ensuring occupational health and safety of employees has a direct negative impact on labour costs through lower productivity.	Lower performance not only poses threat to a Company's reputation and staff morale, but also results in increased operating costs in the form of fines and other contingent liabilities
Energy and Emissions 	An enterprise having a poor track record in energy consumption and emissions management is likely to experience reduced trust from investors and stakeholders	The regulatory authorities may impose penalties on the enterprise due to poor energy and emission performance
Water Management 	Lack of water management initiatives will lead to depletion of water resources in an area and impacting social and biodiversity value.	Purchasing water from external sources would lead to higher operating costs and reduced margins for the enterprise.
Resource Conservation 	Poor resource management will have impact on Company's long lasting existence and performance, it will also lead to resource depletion.	Quality resource will be expensive and scarce in future that will impact the production cost leading into lower profitability for stakeholders.
Operational Efficiency 	Low operational efficiency results into high cost and reduced competitiveness.	High operational cost impacts the profitability of the Company.

# FINANCIAL CAPITAL

## RESILIENT TODAY FOR A REWARDING TOMORROW

### Strengthening our commitment of value maximisation for all stakeholders

In the journey towards building a sustainable future, at UCWL, resilience serves as our steadfast anchor while value maximisation acts as our guiding light. Central to our financial approach is unwavering resilience that helps the Company maintain a strong financial position even amidst unsettling external circumstances. In the FY 2022-23, we achieved our corporate goals while realizing revenue growth. In support of our long-term growth objectives, we successfully implemented a capital raise, fortifying our financial foundation. This accomplishment underscores our dedication to sustainable growth and enhancing stakeholder value.

At UCWL, we prioritise meticulous financial management, with an unwavering focus on achieving growth that is both profitable, sustainable, and equitable. Through diligent cost optimisation efforts, we have built a robust balance sheet, reinforced by a diverse and cost-effective capital reservoir. Our unique marketing campaigns and continuous emphasis on digital activities have successfully expanded our reach to a broader consumer audience. We also consistently benchmark our operational key performance indicators against internal and external standards to enhance efficiency and maximise returns.

This financial strength enables us to navigate the ever-changing operational landscape and explore various opportunities.



### Message from the CFO

"At UCWL, we have demonstrated that through internal efficiencies, improved capacity utilization, the use of green power, efficient logistics, and prudent management policies, we were able to sustain and grow in such a challenging environment.

We are happy to share with you a few highlights from a growth perspective. UCWL showed a 13% growth in terms of cement production on a year-on-year (YoY) basis. In terms of cement capacity utilization, your company saw a 5% growth YoY basis. Regarding turnover, we experienced an 17% YoY growth. It should be noted that all of these achievements were made despite the two-year impact of the COVID-19 pandemic and the Russia-Ukraine conflict, which began towards the end of FY 2021-22. As if that was not enough, we also faced a tremendous rise in fuel and input prices."

Pranav Chitre, Chief Financial Officer, UCWL

# FOCUS AREAS



**BUSINESS STRATEGY**



**INNOVATION**



**ECONOMIC VALUE**



**₹1,032**  
Crore  
Turnover  
(incl. other  
income)

**₹135**  
Crore  
EBIDTA

**₹810**  
Crore  
Market  
Capitalisation

From  
**2.20** MTPA  
to  
**4.70** MTPA  
To increase  
Cement  
Capacity

**AA**  
(Double A)  
Long-term  
Rating

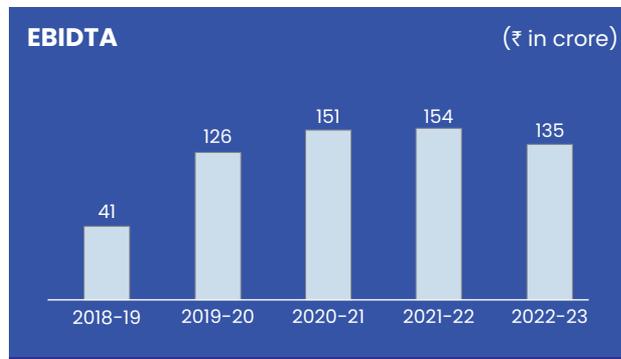
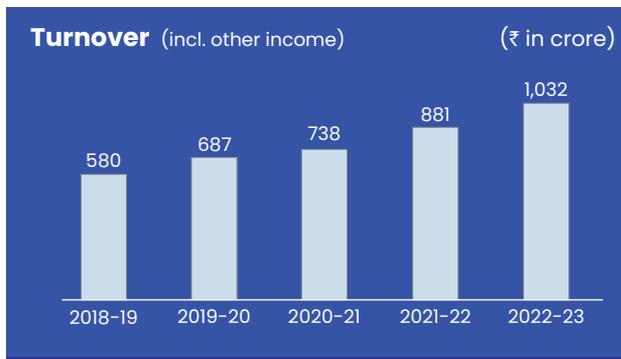
**A1+**  
(A One  
Plus)  
Highest  
Rating for  
Short-term  
Borrowings

# STANDING TALL

## FINANCIAL HIGHLIGHTS

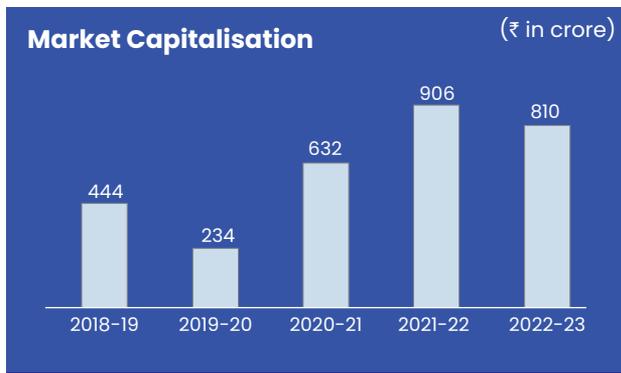
### Revenue & Sales Growth

During the FY 2022-23, the turnover of the Company registered a healthy growth of **17%** to cross the ₹ 1,000 crore mark.



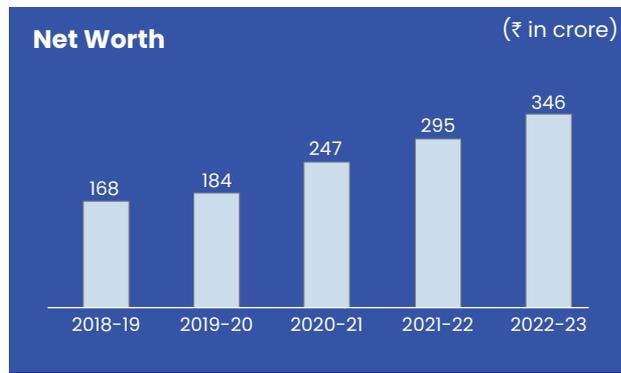
### Market Capitalisation

Despite the tough situation and stiff competition, the Company's market capitalisation at the year-end stood at ₹ 810 crore.



### Net Worth

The Company's net worth showed a healthy trend in FY 2022-23.



### Shareholding Pattern of UCWL as on 31st March, 2023

I Promoters & Promoter Group	72.54%
II Flls, MFs, Bank etc.	0.26%
III Public	27.20%
<b>Total</b>	<b>100%</b>

I Total Share Capital	₹ 124.56 crore
II No. of Shares (Face Value ₹ 4 Each)	31.14 crore

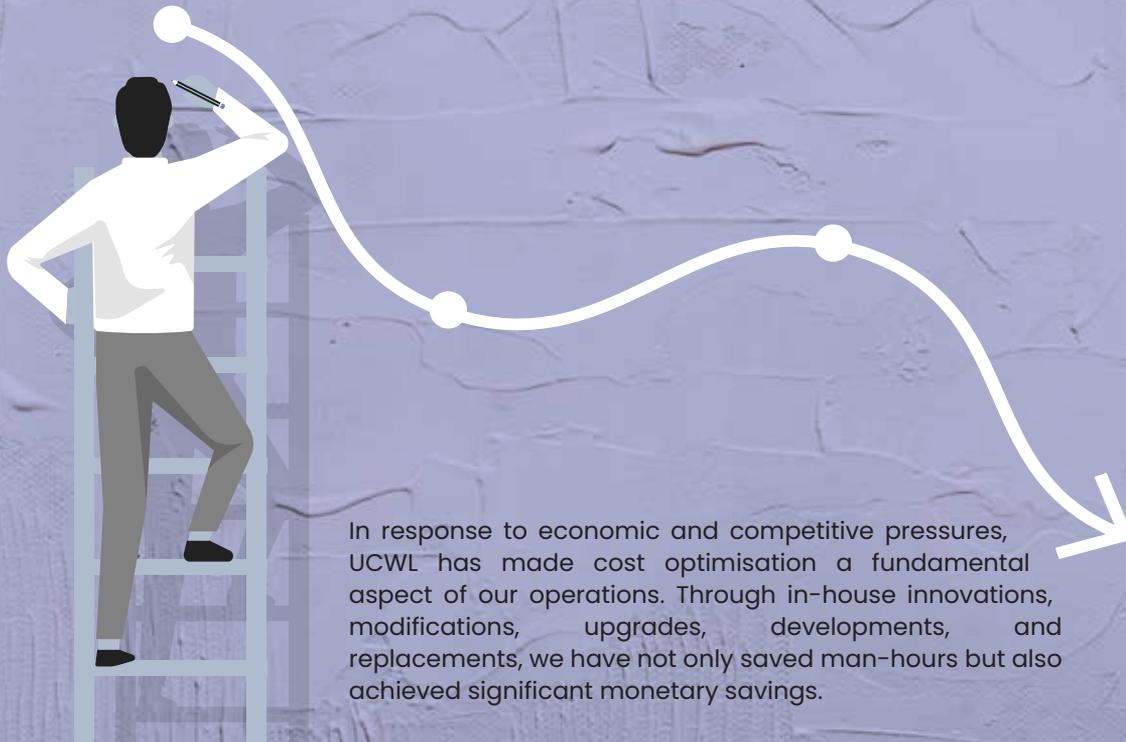
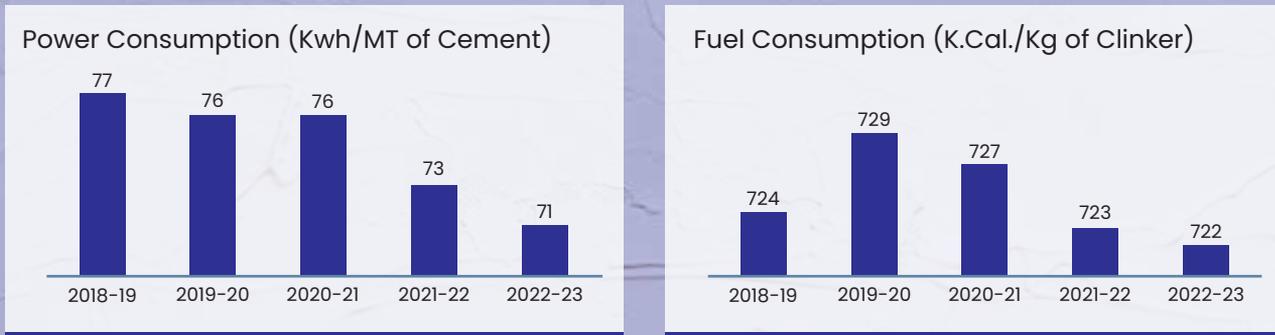
### Net Debt

	₹ in crore
2022-23	1,141.26
2021-22	619.87

# REINFORCING COST-OPTIMISATION

## Least Cost Producer

Udaipur Cement Works Limited is amongst the least cost producer of cement in the industry. Its efficiency parameters in terms of both the power & fuel consumption are one of the best in the class.



## Credit Rating

Based on the continuously improving Efficiency Parameters & as well as the improved Profitability, both the Rating Agencies, CRISIL & CARE have re-affirmed the Company's long-term rating at **AA (Double A)**. The Company continues to enjoy the highest possible rating of **A1+ (A One Plus)** for its Short-term borrowings from both CRISIL & CARE.

The Company is presently in the midst of implementing its Expansion Project wherein the Clinker Capacity is proposed to be doubled from 1.50 Million Tonnes Per Annum to 3.00 Million Tonnes Per Annum and Cement Capacity to be increased from 2.20 Million Tonnes Per Annum to 4.70 Million Tonnes Per Annum. This Project is expected to be completed by Second Quarter of FY25.

# INVESTING FOR THE FUTURE

## CAPEX FOR EXPANSION PROJECT

The Company is currently executing an ambitious expansion project that will revolutionise its capabilities. With a proposed doubling of clinker capacity from 1.50 million tonnes per annum to an impressive 3.00 million tonnes per annum and a remarkable increase in Cement Capacity from 2.20 million tonnes per annum to an astounding 4.70 million tonnes per annum, the Company is well poised to propel its growth to new heights. This landmark project is projected to be successfully accomplished by the Second Quarter of FY 25, marking a significant milestone in our journey towards unparalleled growth and success.

ADDITION IN  
CEMENT  
CAPACITY  
**25**  
Lakh MT

ADDITION IN  
CLINKER  
CAPACITY  
**15**  
Lakh MT

PROJECT  
COMMISSIONING  
Second Quarter  
of FY 25

PROJECT  
COST  
**₹1,650**  
CRORE



## RAISING THE BAR IN CREDIT RATING

CRISIL and CARE have re-affirmed the company's long-term rating at AA (Double A), reflecting its strong financial position. Furthermore, UCWL continues to hold the highest possible rating of A1+ (A One Plus) for its short-term borrowings, by both CRISIL and CARE. These ratings validate our commitment to financial excellence and provide a strong foundation for future growth.

## BOLSTERING INTERNAL FINANCIAL CONTROLS

Internal financial control systems play a vital role in promoting transparency, minimising risks, ensuring compliance, and safeguarding the financial integrity of a company. At UCWL, we have successfully established and implemented a robust framework for internal financial controls. This framework includes systems, policies, and procedures that have been put in place to safeguard its assets, ensure reliability of financial information, and facilitate timely production of financial statements. For each of its functions, the Company has Standard Operating Procedures (SOPs) in place. The Company's internal and external auditors review these SOPs on a regular basis, and any discrepancies are reported for corrective action.



Thanks to the meticulous implementation of policies and procedures at UCWL, the Company's statutory auditors have affirmed that our business operations are conducted with efficiency and without any incidents. In compliance with the Institute of Chartered Accountants of India's Guidance Note on the Audit of Internal Financial Controls over Financial Reporting, our Internal financial control systems undergo periodic reviews to ensure their effectiveness. Based on these evaluations, no substantial reportable weaknesses in our internal financial control system were identified during FY 2022-23.

This outcome reflects our commitment to maintaining strong and reliable internal controls for sound financial management.

# INTELLECTUAL CAPITAL

## INNOVATIVE TODAY FOR A TRANSFORMATIVE TOMORROW

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**Strengthening our continuous pursuit of introspection, innovation and excellence.**

At UCWL, we recognise the immense value of intangible assets in driving organisational success. Our unwavering commitment to progress fuels our continuous process enhancement, instils introspection into every action, and fosters a culture of constant improvement and innovation. This results in the creation of sustainable products with unparalleled efficiency.

Our ability to stay ahead of the competition is rooted in our innovative capabilities, rapid digitalisation efforts, and aggressive brand-building strategies. Innovation stands as a cornerstone of our success.

At the heart of our innovation journey lie our Holding Company's state-of-the-art R&D centres at various plants, our IT innovation lab, and our Centre of Excellence. Our central team collaborates seamlessly with a vast network of regional team members, spreading innovation across markets. Together, they partner with our commercial teams to effectively address our customers' building needs from initial concept to completion. Our team of building experts encompasses end users, influential agents such as masons and engineers, as well as experts in the realms of artificial intelligence and data mining.

A synergy of strengths enables us to adapt swiftly to dynamic customer demands and nurtures the intellectual capital within our organisation.



# FOCUS AREAS



**INNOVATION**



**DIGITAL  
TRANSFORMATION**



## KEY HIGHLIGHTS:

### Sales Effectiveness

Live EBITDA Tracking
Nine Box Grid Sales Geo Mix
Channel Mix Analysis Tool
Salespedia: Responsive Dashboards, Analytical Reports, And Insights
Sales Academy for Employees
Rewards and Recognition Contest
Value Proposition Document
Dealers Churn Prediction Model
Dealer on-boarding process

### Empowering Business through Digital Engine

Leading Development and Roll-Out of Mobile Apps for Internal and External Stakeholders as Part of Multiplying our Digital Reach through Salesforce CRM
WhatsApp Chatbot - VANI

# LEVERAGING THE POWER OF COLLECTIVE INTELLIGENCE

UCWL believes in leading through knowledge, expertise, and innovation, thereby driving the Company's competitive advantage and fostering a sustainable path to growth.

The Centre of Excellence (CoE) is dedicated to systematically improving the Company's procedures while nurturing novel ideas. By thoroughly understanding our business challenges, we develop data-driven solutions that prioritise implementation and diligent follow-up, ensuring lasting impact.

## Prime focal areas

Sales Effectiveness
Digital Transformation
Increasing Productivity
Reducing Costs
Improving the Quality of Production
Identifying and Executing the Shortlist of Improvements that will Generate Value
Manufacturing Excellence

## Key Outcomes:

- We have established a process that entails thoroughly understanding business problems and then presenting solutions based on rigorous data analysis with an emphasis on implementation and follow-ups.
- We have undertaken various initiatives to refine our processes and cultivate an intrapreneurial environment, unlocking the potential within our workforce and accelerating upskilling efforts. We have aligned internal employee Key Result Areas (KRAs), objectives, and our back-end IT environment to meet and exceed customer expectations. Through data-driven decisions, consolidation of best practices, and adoption of new technologies, we have enhanced the customer experience and engagement.

# PARTNERING WITH PLANET

As a pioneer in the cement sector, UCWL has constructed the first floating solar power plant at its Udaipur manufacturing site. A first-of-its-kind in Northwest India, the state Govt. has expressed its appreciation for this solar facility, which has garnered significant attention from the National media. The installation site is in the process of becoming a popular techno tourist destination in the State.



## DIGITAL EXCELLENCE

Human ingenuity when combined with the power of artificial intelligence (AI) leads to transformative outcomes. At UCWL, we are leveraging the power of AI through implementation of technologies of data science, image processing and conversational AI aiming at revolutionising sales, logistics and manufacturing operations. We are also investing in superior technologies for information protection and Cybersecurity. Advanced versions of these technologies are helping us bring efficiency, enhance decision-making, and safeguard critical information; thereby elevating the overall performance of our operations. Summarised below are key technologies being utilised at UCWL:



### Analytics - Data Science

Analytics enables data-driven decision making, new business models and extraction of insights using advance techniques of data science and machine learning. Computer vision algorithms are utilised for tasks like object recognitions and facial recognitions. A unified analytic platform, including data lake and data warehouse, facilitates seamless data extraction, governance, transformation and security.



### Information Security Program

At UCWL, safeguarding our digital assets and ensuring stakeholder trust is paramount. Our comprehensive program covers cyber security strategy, data protection, third-party risk management, and incident response. People, process and technology form the pillars of our strategy, focusing on cybersecurity awareness, robust processes, and cutting-edge technologies to mitigate risks and safeguard operations. Our information security program includes:

**Cyber Security Strategy:** This proactive approach encompasses people, process, and technology pillars. We empower employees through awareness programs, establish robust processes, and leverage cutting-edge technologies for network fortification.

**Data Protection and Privacy:** Adherence to data protection laws, secure data handling, and transparency to protect sensitive information.



### Conversational AI

We embrace conversational interfaces in our digital applications, transitioning from mobile-based to chatbot-driven experiences. The WhatsApp-based Chatbot "Vani" enhances user engagement for our channel partners, improving their digital experience.



**Third-Party Risk Management:** Stringent protocols, due diligence assessments, and audits minimise cybersecurity risks associated with vendors and partners.

**Incident Response & Remediation:** Well-defined plan, clear roles, and tested business continuity measures enable swift recovery and minimise disruptions.

Our comprehensive program ensures risk mitigation, stakeholder data protection, and the resilience of our operations.

# MANUFACTURED CAPITAL

## PROGRESSIVE TODAY FOR A PROSPEROUS TOMORROW

### Strengthening our operational processes and harnessing the power of possibilities

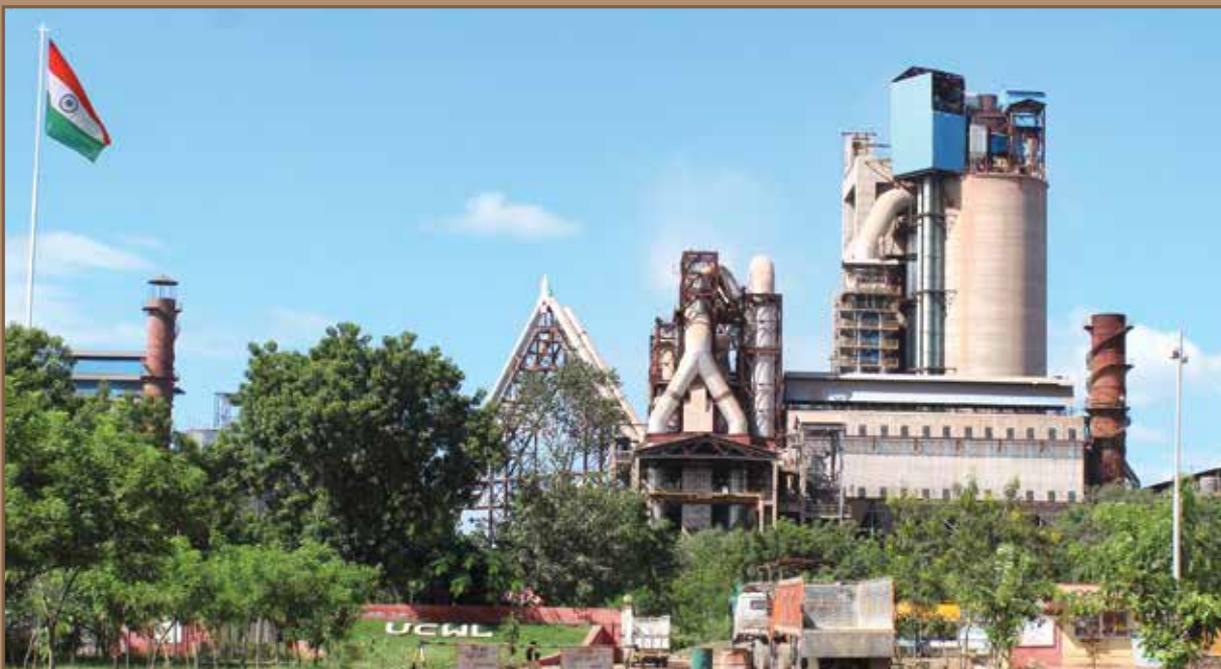
At UCWL, our journey of delivering world-class products begins with institutionalising world-class processes. The significance of managing our operations and logistics in a sustainable manner is an intrinsic aspect of our business philosophy.

With a strategic focus on cutting-edge technology and innovation, we solidify our position as the foremost producer of sustainable cement, contributing to the self-sufficiency of our nation. Our objective is to surpass global standards for sustainable excellence achieved through skilled production capabilities and innovative portfolio.

Safety and sustainability are paramount in everything we do. We prioritise strengthening safety protocols to ensure zero harm, while simultaneously working towards achieving circular economy goals through increased use of waste materials. By embracing digitalisation, we enhance our ability to

monitor and optimise our operations, resulting in safer and more efficient practices. Furthermore, we are dedicated to timely project completion and continuous investment in research and development to achieve operational excellence.

**AS THE WORLD GRAPPLES WITH ENVIRONMENTAL CHALLENGES, WE BELIEVE THAT SUSTAINABLE BUSINESS PRACTICES ARE NOT ONLY AN ETHICAL IMPERATIVE BUT ALSO A STRATEGIC ADVANTAGE.**



We firmly believe that today's decisions build the groundwork for tomorrow's actions. UCWL is well-aligned with the infrastructure and sustainability demands of the country as our country is dedicated to inclusive growth and sustainable development.

## FOCUS AREAS



**CAPACITY  
UTILISATION**



**INNOVATION**



**BUSINESS  
STRATEGY**



**LOGISTICS  
AND DISTRIBUTION**

### Key Highlights:

**2.2 MTPA**  
Cement Production  
Capacity

**1.5 MTPA**  
Clinker Production  
Capacity

**48% Share**  
Renewable Energy share  
of our total Energy  
requirement.



### ON TRACK WITH CAPACITY EXPANSION

By second quarter of FY 2025, we are determined to raise our cement production capacity from 2.2 million tons per annum (MTPA) to an impressive 4.7 MTPA. And clinker production capacity from 1.5 MTPA to 3 MTPA by third Quarter of Financial Year 2024. We are confident that these capacity expansions will pave the way for our continued success and enable us to serve our customers even better in the years ahead.

# SUSTAINABILITY AT PLANTS

Despite significant pressures on margins due to increased fuel costs in FY 2022-23, your Company achieved satisfactory performance through improved efficiency parameters and a strategic product and geographic mix.

## Cement and Clinker Production Capacity

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Installed Clinker Capacity (MTPA)	1.24	1.24	1.40	1.50	1.50
Installed Cement Capacity (MTPA)	1.60	1.60	1.60	2.20	2.20

## Cement and Clinker Production

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Clinker (Lakh Tons)	11.29	11.24	11.56	13.67	14.44
Cement (Lakh Tons)	10.78	8.51	9.64	13.05	14.69

## Our Way of Being, Working and Thriving



### DECARBONISATION JOURNEY

Differentiating our offering with low-carbon products is a major pillar of our decarbonisation roadmap. Our climate change opportunities assessment has highlighted products and services as the most significant opportunity. Our cement product portfolio includes low-clinker content products, prepared using materials like fly ash, slag, limestone, chemical gypsum and pozzolana. These products reduce carbon footprint and minimise energy and raw material consumption in cement manufacturing.



### INNOVATING FOR THE FUTURE

Safety, ethics, and environmental responsibility are non-negotiable principles we uphold. We invest in innovation, digital transformation, and the diversity of our people and product portfolio. By utilising technological advancements to better utilise resources, develop processes, and have a positive impact on people's lives, we combine the strength of a mature, long-cycle company with the adaptability required to modernise and meet the new demands of society.



### VERTICAL INTEGRATION

UCWL is one of the most vertically integrated enterprises in the sector. Operating under a B2B model, we serve various sectors with a comprehensive product portfolio including cement, concrete, aggregates, mortars, grouts, and more.

# SUSTAINABLE AND SMARTER SOLUTIONS

## Advancing Sustainability through Technological Innovation

The Company has always followed the philosophy of sustainable growth

- Promote In-house Innovation
- Encourage Purchase of Energy Efficient Products & Services
- Complying to all applicable legal, regulatory requirement and mandatory guidelines

In addition to our commitment to quality, we continuously upgrade our technologies to minimise emissions and maximise the use of alternative materials. Our focus is on reducing the reliance on fossil fuels and increasing the utilisation of renewable energy sources.

### Key Highlights

1. PH Cyclone 1A & 1B Modification sloping down roof profile of cyclone to flat & replaced hurricanes by immersion tube, which has improved the dust collection efficiency by 10-12 %
2. ESP inlet duct & burner trolley modification (layout change) executed, which, ultimately reduced the burner replacement time by 16-20 hours/annum and also improved safety aspect.
3. In-house developed bulk loading cement infrastructure was commissioned, this converted in loading of 45,148 MT of bulk loading during FY 2022-23 at various demographic locations. Further, this saved about 0.09 kWh/T energy on bag loading.
4. Cement mill 1 & 2 reject material belt replaced by closed air slide, resulting in saving of power & prevention of fugitive dust emissions. This saved about 0.09 kWh/T energy on internal cement transfer.
5. Clinker cooler in-house development of stand by cooler fan system for recuperation zone. This saved about 12 hour of kiln stoppage/annum
6. In-house designed & installed standby girth gear lubrication system for kiln. This saved about 12 hour of kiln stoppage/annum
7. CM1 & CM2 intermediate diaphragm scoop opening, reduced over grinding in chamber 1 (Power saving: 0.2 kWh/MT)
8. Replaced rotor blades with modified angles in raw mill resulting in reduction in raw mill residue & power by 0.23 kWh/MT.
9. In-house modification of RABH purging sequence logic implemented in ABB DCS at CCR. This saved energy by 0.1 kWh/MT.



**MANUFACTURED CAPITAL**

## Adding Green in our Energy Mix

Embracing renewable energy sources is the key to a sustainable future, driving progress and reducing our environmental impact. The Company meets around 48% of its total electricity requirement from green power sources. The Company has installed 6 MW Waste Heat Recovery Systems at its manufacturing unit, to utilise the waste heat to generate clean electricity. The Company has further mapped its climate change initiatives with respect to the commitment made by the nation in COP 26.

### Increasing Capacity and Consumption of Renewable Energy

Power Generation Capacity	2018-19	2019-20	2020-21	2021-22	2022-23
WHRS MW	6.00	6.00	6.00	6.00	6.00
Solar-MWp	10.10	10.10	10.10	14.45	15.45

### Conventional, WHR & Green-Solar Energy Consumption (Lakh kWh)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
RSEB	632.42	547.93	371.20	656.07	677.32
IEX	0.59	11.73	136.93	-	-
WHRS	362.80	355.38	354.28	384.82	408.92
Solar 1 (10.1 MWp)	-	-	120.86	149.54	143.06
Solar 2 (4.35 MWp)	-	-	-	21.72	64.08
Solar 3 (1 MWp)	-	-	-	-	2.63

## SETTING A NEW BENCHMARK IN RENEWABLE ENERGY ADOPTION

### CASE STUDY

During FY 2022-23, we successfully commissioned the first-of-its-kind Floating Solar Power Plant in Rajasthan, setting a unique precedent in the Indian cement industry. With a capacity of 1 MW, this plant propelled our total share of renewable energy to over 48% of our total power requirement, establishing a remarkable milestone in the industry.

This accomplishment demonstrates our commitment to sustainable practices and showcases our ability to embrace innovative solutions that reduce our environmental impact while optimising operational efficiency. By leveraging renewable energy sources, we not only contribute to a greener future but also create a resilient and cost-effective energy infrastructure.

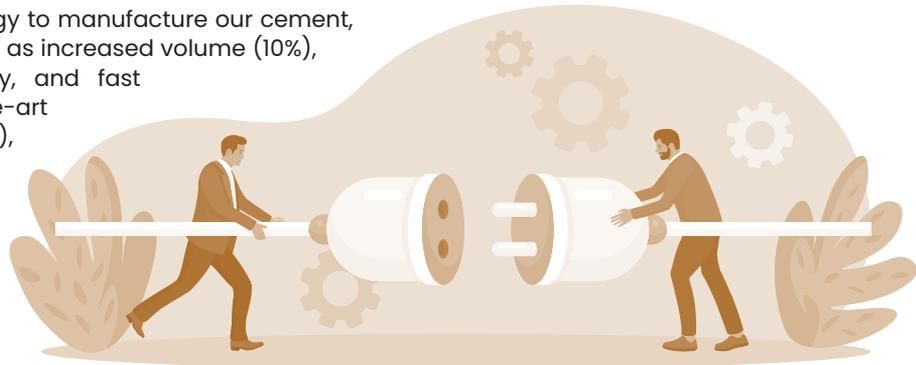


# LEVERAGING THE POWER OF TECHNOLOGY IN MANUFACTURING

By harnessing technology, we pave the way for sustainable operations, driving innovation and minimising our environmental footprint.

We pursue excellence through advanced technology. Our efficient five-stage preheater and state-of-the-art vertical roller mill enhance production quality while reducing energy consumption. A new Distributed Control System (DCS) from ABB Limited empowers us with precise control over our manufacturing processes, resulting in improved productivity, enhanced safety, and reduced energy consumption.

We utilise the latest superior PSD Technology to manufacture our cement, offering a range of consumer benefits such as increased volume (10%), high initial strength, excellent workability, and fast setting. At UCWL, our state-of-the-art laboratory is NABL certified (ISO 17025:2017), following a successful certification audit. We prioritise robust equipment condition monitoring, employing IoT-based sensors for real-time health monitoring of critical parameters including vibration and temperature.



## Delivering Unmatched Innovation with Value-added Product Portfolio

UCWL has four BIS operating licenses, which include PPC Part-1, OPC-43 G, OPC-53 G, Composite Cement and Sulphur Resistance Portland Cement (SRPC). The three main products produced by the Company are Clinker, Ordinary Portland Cement (OPC), and Pozzolana Portland Cement (PPC). For the manufacturing of clinker, alternative fuels derived from other industrial wastes are used to replace fossil fuels like coal, pet-coke etc. In the production of PPC cement, other industrial waste materials such as Fly ash, chemical gypsum and jarosite are used to replace virgin raw materials.

### PLATINUM HEAVY DUTY CEMENT

Highly reactive fly ash resists sulphate and chloride attacks. Thus, it protects the reinforced bars from the menace of rust.

### PLATINUM SUPREMO CEMENT

A unique chemical composition and particle packing technology makes it water-resistant. It requires less water (for mixing) for mortar & concrete than regular cement. It also has low alkali content, making structures more durable.

## Measuring Performance through Feedback

Understanding customer perceptions is vital for enhancing satisfaction. We offer a diverse range of products to meet various needs. We prioritise understanding customer needs through feedback, surveys, and personalised calls. Our integrated material and digital systems provide actionable insights. We ensure all calls at the call centre are answered, extending our reach through digital media platforms to engage with customers across the market.

**PUTTING CUSTOMERS AT THE FOREFRONT, WE LEAD WITH A FOCUS ON THEIR SATISFACTION.**

## Driving Digital Transformation

UCWL has upgraded its "Core of Digital" with S/4 HANA to accelerate the digital transition. The goal of the migration to S/4 HANA was to speed up and improve business processes. With little downtime, the SAP landscape was migrated to the S/4 HANA platform. This ability to migrate the digital core to a new technology without disrupting existing business has instilled confidence that all digital transformations can be completed without causing disruption.

# SUSTAINABLE SUPPLY CHAIN & LOGISTICS



## GOING DIGITAL

Logistics and supply chain play a pivotal role in the cement industry, and the same holds true for UCWL. We recognise the need for digitisation to optimise costs and enhance customer logistics services. UCWL embarked on a digital transformation journey in the supply chain and distribution arena a few years ago. We automated demand planning, plant-to-market allocation, dealer order placement, tracking, and trip closure.



## STREAMLINING TRANSPORTATION

To ensure transparency, we implemented a standard Transport Management System (TMS) across our plants. The system consolidates trip details and payments on a single page, simplifying the process for transporters. To ensure successful TMS implementation, we invested in an ecosystem of RFID/GPS/sensors for comprehensive truck tracking. Our team also tackled industry challenges by developing solutions like the EPOD implementation system and accurate identification of back unloading cases.



## EPOD SYSTEM

In the cement industry, our dealers at times avoid giving e-proof of delivery. We used multiple technologies like IVR, invoice-linked SMS, SIM tracking-based systems, etc. to make the POD process flawless and user-friendly. The system will bring in more transparency, save unnecessary paperwork and generate value for all stakeholders.



## IDENTIFICATION OF BACK-UNLOADING CASES WITH FULL ACCURACY

Back unloading and bag movement across state borders from low-price to high-price states are known malpractices in the cement industry. This malpractice goes unchallenged as cement bags appear the same and erring dealers could go undetected. Hence, we made certain corrections in our packing plant and started getting customer code printed on the bags and now we can easily backtrack the customer involved in malpractice and take corrective actions immediately. As a responsible industry player, we are dedicated to implementing environmentally-friendly practices. We have integrated green trucks (CNG/LNG/Electric) into our fleet, reducing our carbon footprint. Additionally, we have improved our yard infrastructure to enhance the comfort and well-being of our drivers, helpers, and supervisors.

## LOOKING INTO THE FUTURE

Our Company's long-term success and expansion depend on making green investments, developing innovative products, and embracing growing digitisation. Our innovation and operations teams continue to make great strides with decarbonisation initiatives in the works across the Group, including more pilots on carbon capture and storage, the use of hydrogen as a substitute, carbon-free energy source, and commercial production of calcined clays that enable cement with less CO<sub>2</sub>. Through our participation in many industry platforms, our direct support of entrepreneurs, and our membership in consortiums in the areas of concrete printing or heat storage technologies, we are also assisting start-ups in bringing next-generation decarbonisation concepts to life. New projects in the pipeline aim to digitalise our customer experience in an integrated supply chain model. To achieve all this, we are determined to continue building and enabling our talent to accelerate the commercial and technological transformation of the Group and tackle the challenges of the future.

Despite the considerable pressures on the margins on account of considerable increase in the fuel cost during FY 2022-23, the Company has been able to record satisfactory performance by improving its various Efficiency parameters and better Product Mix and Geo Mix.



UCWL WAS AWARDED BY THE INDIAN CEMENT REVIEW (ICR) AS INDIA'S FASTEST GROWING CEMENT COMPANY IN THE SMALL CATEGORY 2022.

# HUMAN CAPITAL

## EMPOWERED TODAY FOR AN ENRICHING TOMORROW

### Strengthening our focus on safe, enabling & rewarding work environment

In today's ever-evolving business landscape, only people-powered organisations flourish propelled by the unstoppable force of empowered individuals. At UCWL, we are committed to empower our greatest power: our people. We offer a workplace where every employee feels safe, valued, and empowered to unleash their true potential. A place where diversity is celebrated, work-life balance is respected, and where innovation is not an option but a way of life.

#### **Promoting Diversity, Safety and Future-Readiness in the Workforce**

We believe in harnessing the power of diverse talent from all areas, countries, cultures, races, and skill sets to create a workforce that is future-ready. Our mission is to attract, retain, and cultivate exceptional change makers across all walks of life. Upholding human rights as a fundamental aspect of our business ethics, we promote and acknowledge the rights and liberties entitled to all employees as stated in our Indian constitution.

To prepare for the future, we are reengineering learning, development, and talent management, creating a competitive advantage that maximises value creation in a dynamic business landscape.

At UCWL, safety is not just a priority; it is ingrained in our processes. We are dedicated to providing a secure work environment with zero risks, conducting regular awareness programs to ensure employee well-being. Through infrastructure, methods, and procedures, we create an inclusive support system that caters to diverse needs and promotes holistic well-being.

The aim is to create a workplace where everyone feels secure, and achieves their highest potential, driving our organisation towards continued growth and success.

**"I appreciate the efforts put in by our entire HR Team in creating a culture of proactive employee engagement and maintaining harmonious industrial relations. Due to our team's constant efforts, grit & determination, we could achieve our targets for FY 2022-23."**

**Shashikant Kumar | GM (HR & IR)**



# FOCUS AREAS



A Diverse Workforce to Execute Long-term Strategy



Healthcare



Education and Capacity Building



Digitalising HR Operations



Enabling Infrastructure



Social Reform



## HUMAN RESOURCE PRIORITIES:

- Building capacities to scale up new business through new hiring and internal capability development
- Restructuring to drive operational synergies in tandem with organisational transformation
- Higher investments in digital initiatives and new skills

## Key Performance Indicators

**Training Man-days**  
4.1 Man-days/person

**Voluntary Attrition** ≤ 8%

**47 New Recruitments**  
(Lateral and Entry Level Hiring)

**One Training Per Quarter for all Sales and Technical Services Team**  
(on basics of cement, sales & business orientation)

**16 Hours of Dedicated Program** (for the concerned employee per year)

# EMPLOYEE ENGAGEMENT

Our organizational framework is designed to streamline the process of finding and hiring the right individuals swiftly, enabling them to quickly integrate and excel in their roles. With ambitious targets in place, we effectively manage performance to fulfil our commitments to all stakeholders. Continuous support for learning and development, coupled with a nurturing work environment, empowers our employees to deliver exceptional outcomes consistently.

## GYOT: GROW YOUR OWN TIMBER

In today's dynamic business landscape, organisations must be willing to take risks when it comes to nurturing their internal talent. The GYOT (Grow Your Own Timber) approach at UCWL encourages offering key and strategic roles to internal talents, even if they are only 60% ready. To effectively groom and develop internal talents for leadership roles, robust talent management processes are put in place.

- Develop internal talent for leadership role through robust talent management processes, career & succession planning, IDP, MDP, breakthrough projects, expert coaching etc.
- Talent identification, development, and career progression enabled by the assessment centre.
- Participation in cross functional teams and giving opportunity to work in breakthrough projects.

## SUCCESSION PLANNING

Succession management has been a paramount focus for leadership development at UCWL. With a strong emphasis on preparing for the future, it encompasses three levels with at least two eligible successors for each strategic/leadership positions.

To facilitate the smooth transition of successors, a comprehensive career plan is devised. This plan maps out their journey over a span of 10 years, outlining the roles, responsibilities, accountability, and areas of expertise they need to acquire along the way. UCWL encourages employees to pursue additional qualifications that align with their career paths. Through the self-development scheme, self-directed learning courses, and short-term programs, employees are empowered to acquire relevant qualification to enhance their expertise.

This proactive approach not only enriches their skill sets but also positions them for future growth opportunities within the organisation.

## FUTURE-READY CAPABILITIES

In FY 2022-23, UCWL placed a strong emphasis on building future readiness within its workforce. To achieve this, the organisation implemented continuous learning initiatives, enabling employees to upskill and reskill for their roles imparting contemporary concepts that are essential for the future. Interactive exercises, role plays, and thought-provoking videos were used to ensure participants internalise knowledge for effective implementation.

The effectiveness of these initiatives is measured using several metrics, including:

- Percentage of strategic positions filled internally.
- Percentage of "A" performers in key positions.
- Retention rate of graduate engineer trainees (GETs) after two years of joining.
- Evaluation based on the Kirkpatrick Model, encompassing levels 1, 2, 3, and 4.
- Number of cross functional teams (CFTs) formed.
- Number of employees enrolled in and successfully completing courses under the self-development scheme.

The review of development calendar and plans, along with their impact on employee and company performance, is deliberated during quarterly review meetings. These

meetings involve presence of the Head of Department (HOD), HR Head, and are chaired by the Whole-time Director (WTD).

These programmes foster strong bonds, improve leadership skills, build trust, and enhance goal/result orientation, planning, and conflict resolution abilities.



## BUILDING RESILIENCE AND FOCUS ON WELL-BEING

In response to the lessons learned from COVID-19 pandemic, our management and HR teams have prioritized ongoing communication with employees, customers, and stakeholders. This commitment ensures continuous engagement and alignment with business requirements, while maintaining a strong focus on health and safety.

Our environment policy encompasses all operational spaces, promoting a healthy environment within our premises and surrounding areas. We also advocate for our vendors and dealers to implement long-term health and safety measures, fostering a brighter future. Safety is deeply ingrained in our culture, with all UCWL employees adhering to behaviour-based safety practices.

## DIVERSITY AND INCLUSION

Equal opportunity is at the core of our beliefs. The Company is committed to delivering equal opportunities and fostering diversity and inclusion at all levels of the organisation. The Group has identified a 'diverse and inclusive workplace' as an essential challenge. Gender, age, nationality, handicap, ethnic origin, sexual orientation, culture, education, and professional background are all examples of diversity. At the company level, special emphasis is paid to monitoring the execution of our Human Rights Policy, including promoting diversity and guaranteeing consistent improvement across the organisation. Improving the gender mix at all levels is always a priority. Similarly, we prioritise inclusiveness and establish a work climate that maximizes the potential of all employees.

We encourage our female employees to take maternity leave to look after their parental responsibilities. Inclusion and ethical behaviour are valued highly in our organisation. Our ideals serve as the foundation of our system and are passed down from our senior management. This has benefited us in developing a pleasant, safe, and inclusive workplace where everyone feels free to express and think for themselves. We had no incidents of racism or violence in the prior fiscal year.

A diverse combination of academic and professional talents has also been fostered at the Board level. The Board of Directors comprises Directors from several industries, including banking & insurance, corporate/business, audit services, public policy & political history, cement sector, emerging markets, finance, legal services, technology, and IT. As our VCMD, Vinita Singhania, is one of the most inspiring leaders in the manufacturing business, our deeds speak for themselves. She is the first female president of the Cement Manufacturers Association and has received numerous honours for her contributions to the industry and society.

At UCWL, we prioritize upholding diversity, fostering camaraderie, and ensuring moments of recreation through a variety of major celebrations. These include events such as Mahabhoj, National Road Safety Week, Blood Donation Camp, Environment Week, International Yoga Day, Founders Day Celebration, Anand Mela, and celebration of all festivals.



Blood Donation Camp (20<sup>th</sup> June)



Mahabhoj (1<sup>st</sup> January)

# OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

At UCWL, the health and safety of our employees is our top priority. We hold an ISO 45001:2018 certification from M/s Bureau Veritas, validating our implementation of an Occupational Health and Safety Management System throughout our entire plant. Our dedicated internal auditor team, trained and certified, conducts biannual internal audits, addressing any identified opportunities for improvement. Additionally, our certification body conducts an annual audit.

We have a well-defined onsite emergency and disaster management plan in compliance with the Factory Act 1948 u/s 41 B. This plan outlines pre-planned procedures to effectively handle major disasters or emergencies, aiming to minimise loss of life, property damage, and environmental impact. To support this, we have established emergency response, first aid, firefighting, and search & rescue teams. We have designated safe assembly points for prompt evacuation during emergencies, conducting regular mock drills to assess response time and identify areas for improvement.

In the financial year, the following processes continued to be followed to identify work-related hazards and assess risks on a routine and sporadic basis.



**HIRA**  
(Hazard Identification & Risk Assessment)



**HAZOP Study**  
(Hazard & Operability Study)



**JSA**  
(Job Safety Analysis)



**Audits & Inspections**



**Unsafe Acts/  
Condition Reporting  
Mobile App**



**Near Miss Reporting**

All the employees including workmen have access to non-occupational & healthcare services in our plant. We have fully equipped Occupational Health Centre in our township which is open for all staff members including workmen & their family members.

## LABOUR RELATIONS

As a manufacturing business, we strive to uphold strong and respectful labour relations, fostering a harmonious work environment and ensuring fair treatment. We engage our workforce through various activities:

- Installation of a suggestion box at our main gate for taking suggestions from employees. Our safety team also schedules periodical safety meetings in which safety suggestions are given by the members based on their shop floor employees.
- Recognition of the 'Kaizen Scheme' for our employees, encouraging them to propose innovative ideas. All schemes are being circulated through online mail and circular in hard copy which is affixed on conspicuous part of

the notice boards. We also ensure to share the same with respective contractors and union members.

- Motivate and encourage MCS, permanent operatives and contract labours with 'Exemplary Award' scheme, in which we reward 20-25 employees every month for their exemplary contribution at work such as cost saving, time saving, safety, suggestion scheme, etc.
- Recognise around 10 employees (MCS, Permanent Operatives and Contract Labours), every quarter, for their implemented improvement ideas, which they present during the 'Safety Committee Meeting'.

Through all these activities, we were able to achieve zero man-days loss.

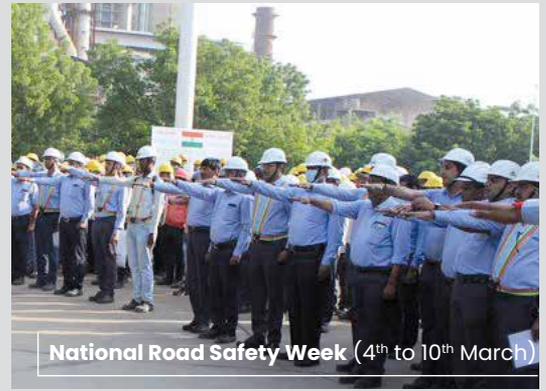
# MAJOR CELEBRATIONS



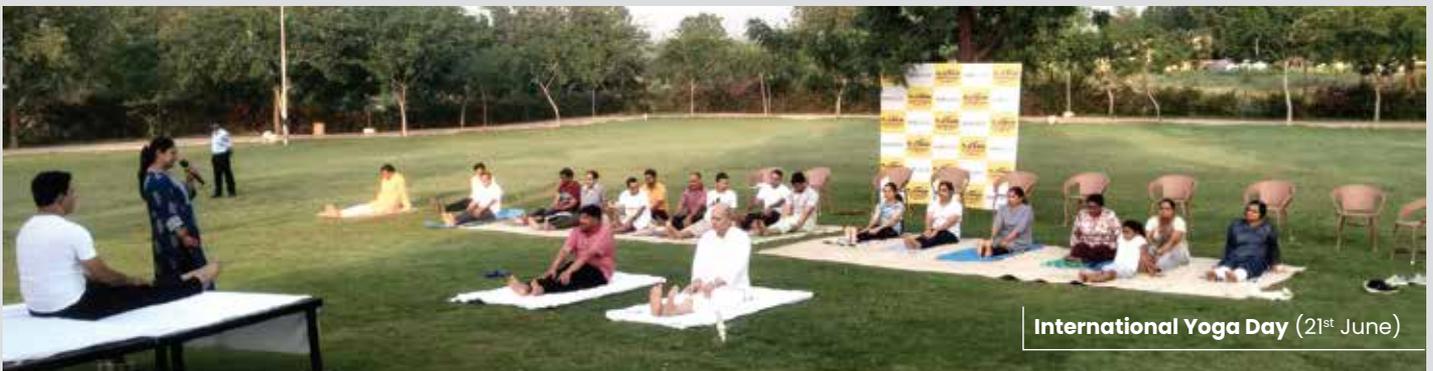
Founders Day Celebration



Environment Week (2<sup>nd</sup> to 8<sup>th</sup> June)



National Road Safety Week (4<sup>th</sup> to 10<sup>th</sup> March)



International Yoga Day (21<sup>st</sup> June)

# ADAPTING THE STAR FRAMEWORK FOR SHINING OUTCOMES

## CASE STUDY

At UCWL, we have successfully implemented the SITUATION TASK ACTION RESULTS (STAR) framework for managing our annual shutdown. This unique approach has delivered numerous benefits, including improved communication and understanding of the situation, clear task assignment and responsibility definition, decisive actions, and measurable results. By adopting this structured approach, we have enhanced efficiency, minimised disruptions, and achieved successful shutdown management.



## CASE STUDY



### CHALLENGE

During the initial stages of UCWL Project - Line 2, there was a significant need for manpower with diverse skills and knowledge. Timely deployment was crucial to meet project timelines, and any delay would impact project completion. The HR team recognised the urgency and sought a solution to fulfill this manpower requirement promptly.



### INTERVENTION

The HR team initiated 'Project Lakshya' to identify and select employees from JKLC units who were interested in learning new skills and contributing to project activities. An internal communication was sent out to gauge interest, resulting in a substantial number of applications from employees keen on joining the project. To ensure the right fit, a robust selection process was implemented, involving section heads and HODs in the interviewing and selection procedure. Once the selected employees were identified, the Lakshya initiative extended support in terms of their deployment at UCWL, prioritizing their safety, productivity, and overall well-being. To monitor their performance and alignment with company goals, the 'Urjaang' initiative was introduced, to keep a track if they are aligned with the overall goals and objectives of the Company.



### RESULTS

The implementation of Project Lakshya yielded significant advantages for the project team of UCWL. The initiative ensured timely availability of skilled manpower, contributing to project success thus facilitating smoother integration and alignment with organisational objectives.

## AWARDS AND ACHIEVEMENTS

- HR Team won first ever JKO Customer Champion Award in 39th JKO Inter-Company HR in team category organised by Group-HR (JKO)
- Received 'Best Employer Award' by Employer Branding Institute India
- Achieved Outstanding Contribution in Skill Development Trophy under the category of Large-Scale Industries by the Employers Association of Rajasthan
- Won the 13th Exceed Health Safety & Security Award for best practices in Industrial Security from Hon'ble Social Welfare Minister of Goa, Mr. Subhash Phal Dessai

**Naveen Kumar Sharma, Whole Time Director, was conferred with the coveted OHSSAI Lifetime Award 2022 in the 7th Annual OHSSAI Award Ceremony organised by OHSSAI Foundation.**

# NATURAL CAPITAL

## CIRCULAR TODAY FOR A CLEANER TOMORROW

### Strengthening our commitment of preserving the planet's resources

UCWL recognises that cement manufacturing is a resource and energy-intensive process. As part of the "hard-to-abate" sector, we understand the need to address environmental concerns related to our production processes, product use, and end-of-life product disposal. We aim to reduce emissions, minimise energy consumption, manage water responsibly, promote recycling, and preserve biodiversity in these areas.

Our belief is rooted in the understanding that encouraging ecologically sustainable growth is crucial for our long-term survival. To achieve this, we have developed a comprehensive plan to mitigate the negative consequences of our operations and protect the environment. A key aspect of this plan is the integration of circularity into every facet of our Company.

Through these concerted efforts in key impact areas, year after year, we make significant contributions to nurturing our natural capital and reducing our resource footprint.



### With compliance comes competence

UCWL is committed to adhere to the highest industry practices and global standards. Our certifications, such as ISO 9001:2015 (QMS), ISO 14001:2015 (EMS), ISO 45001:2018 (OHSAS), and ISO 50001:2018 (EnMS), demonstrate our dedication to continuous improvement across all aspects of our plant operations.



*We place a high priority on resource usage and diligently adhere to the Plan-Do-Check-Act philosophy, which guarantees continuous improvements in all aspects of our operations.*

# FOCUS AREAS

UCWL’s environmental management approach integrates resource efficiency into all aspects of our Company’s operations and beyond by focussing on key tenets of natural capital.

## Climate change

- Reducing our carbon footprint
- Increasing share of renewable energy

## Circular Economy

- Waste management
- Industrial waste to blended cement
- Industrial waste as an alternative fuel
- Concrete recycling
- Municipal solid waste as an alternative fuel

## Water Management

- Water conservation
- Water & sanitation
- Water recycling
- Zero liquid discharge
- Water efficient technologies
- Rainwater harvesting

## Energy and emissions

- Environmental impact assessments
- No net loss



**BIODIVERSITY**



**ALTERNATIVE FUEL & RAW MATERIAL**



**SUSTAINABLE SOURCING**

## Key Highlights

**48%**

Total Renewable Energy Consumption of Total Electrical Energy Required

**73%**

Blended Cement against Total Cement Production

**8.2%**

Alternative Fuel (Liquid and Solid Fuel) By Weight



**3.61%**

Water Positivity Index

**12,045 KL**

Water Conservation

**29,795 KL**

Water Recycled

**₹ 6.07 Crore**

Investment in Solar Energy

## CLIMATE CHANGE

We embrace a resource utilisation philosophy focused on maximising efficiency - getting more out of less. Through improved processes and fuel usage, we strive to minimise energy consumption and greenhouse gas emissions. Our commitment to achieving zero waste to landfill, zero effluent discharge, and reduced water usage aligns with the United Nations' Sustainable Development Goals, which also encompass promoting labour rights, human rights, and fighting corruption.

To combat climate change, we are transitioning to alternative fuels and raw materials. We are also implementing solar and waste heat recovery systems (WHRS).

To ensure sustainable growth, we have created a strategic roadmap for lowering our carbon footprint.



## Use of internal carbon pricing in strategic planning

UCWL recognises the positive impact of market-based carbon pricing on driving decarbonisation efforts. By implementing a robust and predictable carbon pricing mechanism, businesses are incentivised to invest in reducing their carbon emissions.

As part of our long-term strategy, UCWL is actively integrating internal carbon pricing to accelerate our journey towards a carbon-neutral future.

The Company aims to reach net zero while assessing the opportunities and risks related to the GHG regulatory environment. Carbon pricing is a key factor in encouraging low-carbon investments in energy-efficient technologies and alternative fuels to reduce the carbon footprint of its products.

UCWL makes investment decisions related to climate change using the carbon pricing through its CapEx program.

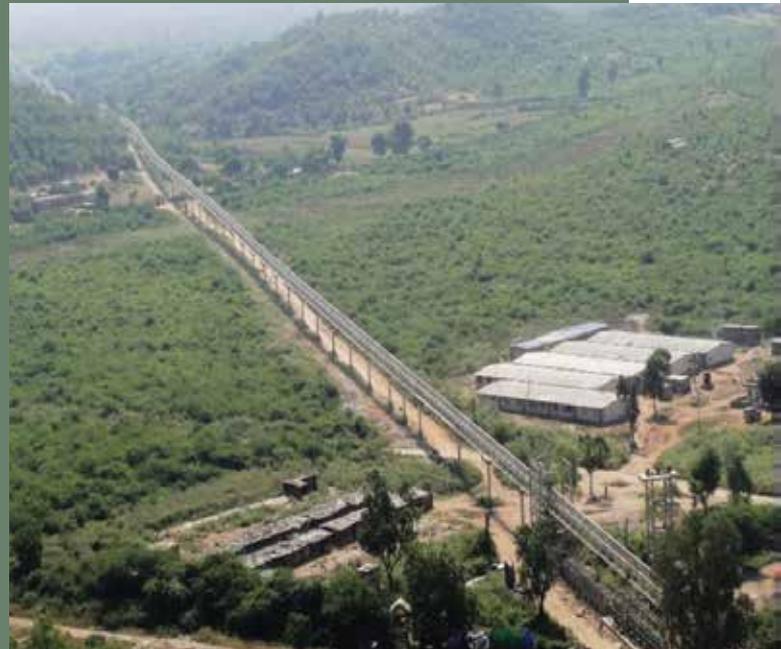
## Reducing Carbon Footprint

The transportation of raw materials and finished goods, as well as the production of cement, are the main sources of greenhouse gas (GHG) emissions in our activities. Our primary focus is to produce goods with minimal carbon footprint. To understand our emissions and develop effective mitigation strategies, we conduct comprehensive assessments based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

To foster a low-carbon future and enhance our resilience to climate change, our sustainability and climate action strategy sets clear targets aligned with our strategic priorities. By addressing these prioritised areas, we aim to proactively reduce our environmental impact and contribute to a sustainable and resilient future.

## Key Highlights

- The installation of a 6 km long Over the Land Belt Conveyor (OLBC) helps offset the carbon footprint by reducing the usage of natural fuel by replacing the local transportation (Dumper movement).
- Our plant have implemented on-site solar power facilities for captive use to reduce our carbon impact.
- Through our Plantation Drive, we distribute free trees and plants, along with tree guards, to nearby residency, schools, and villages. Trees are known for their effective GHG emissions reduction.
- Udaipur Cement Works aligns its goals and commitments with the pledges made by the country at COP26 in 2021. We actively participate in Clean Development Mechanism (CDM) and Voluntary Carbon Standards (VCS) [now Verra] program registered under the United Nations Framework Convention on Climate Change (UNFCCC).



## CIRCULAR ECONOMY

We are steadfast in our commitment to the circular economy. By minimising, reusing, recycling, and recovering materials and energy, we are dedicated to the principles of the circular economy. We take initiatives to conserve natural resources, reduce CO<sub>2</sub> emissions, and effectively manage waste. In FY 2022-23, we implemented circular economy practices and initiatives throughout all our operations. By using various waste derived raw materials, we have protected natural resources and contributed to slowing the pace of climate change.



### Key Highlights

- All hazardous waste generated from auxiliary processes, such as used oil and grease, are recycled by recyclers approved by the Central and State Pollution Control Boards. Furthermore, we have also obtained authorisation to co-process the waste / by-products of other industries to minimise potentially unscientific disposal.
- Solid organic waste is transformed into compost and vermicompost, which are high in nutrients and utilised in our horticulture as manure.
- Domestic wastewater is treated in our Sewage Treatment Plants (STPs), and the treated water is utilised for plantation and greenbelt creation.

# WASTE MANAGEMENT

UCWL has always remained committed towards embracing the 'Reduce - Reuse - Recycle' approach, recognising its potential to transform waste into valuable resources and create wealth. Our larger goal is to transition to a zero-waste future by institutionalising sustainable practices and resource efficiency.

With a strong focus on waste reduction, recycling, and system optimisation, we strive to achieve our zero-waste-to-landfills goal. A key differentiator is our on-site treatment of organic waste, including food waste, garden waste, and STP sludge, aligning with our genuine net-zero strategy while continuing to adopt sustainable practices throughout our operations to minimise waste generation and ensure long-term environmental sustainability.



## Reusability & recycling of cement bags

UCWL has applied for registration under the Extended Producer Responsibility (EPR) guidelines outlined in the PWM Rules of 2016 and as amended. According to EPR standards, we have already met the 25% objective for FY 2021-22 and 70% target for FY 2022-23 as well. Cement, which comes in cement bags, is UCWL's main product and a majority of the time, these bags are reused for storage of other commodities like grains, fodder, etc. as well as for construction reasons. Waste recyclers also recycle used plastic bags to create new bags.



## Alternative fuel and raw material

The used oil is stored within the plant premises, ensuring proper isolation, and later sold to recyclers approved by regulatory bodies. Additionally, we use hazardous waste from other sectors as an alternative fuel and raw material (AFR).



## E-waste management

Since our product is cement, there is no e-waste produced during production. The only source of e-waste, however, is office operations, and any e-Waste produced is sold to CPCB authorised recyclers. Similarly, the generated bio-medical waste is being sold to CPCB authorised incinerators.



## Waste to wealth

To convert organic waste into nutrient-rich vermicompost, our facility utilises vermicomposting techniques. We constructed durable walkways using cement cubes that underwent a five-year lab testing process. To minimise paper waste, we have adopted paperless procedures and utilise the SAP S4HANA system. Our cement manufacturing process follows a closed-loop approach where any waste generated is efficiently utilised in cement production.

## TYPES OF WASTE MATERIALS USED

		
INDUSTRIAL	MUNICIPAL	OTHER
<ul style="list-style-type: none"><li>- Fly Ash</li><li>- Slag</li><li>- Chemical Gypsum</li><li>- Petcoke</li></ul>	<ul style="list-style-type: none"><li>- Waste from the factory's township</li></ul>	<ul style="list-style-type: none"><li>- Hazardous Liquid Waste</li></ul>

UCWL constantly works to replace poisonous and dangerous chemicals with more environmentally friendly ones in our products. As a result, our products don't contain any poisonous or hazardous substances. As an alternative to traditional raw materials, we have produced cement using fly ash, chemical gypsum, granulated slag, etc.

## WATER MANAGEMENT

Water, as a valuable and finite resource, holds great significance in our environmental stewardship endeavours.

We prioritise responsible sourcing and effective water management both within and outside our facilities. Our management strategy and policies ensure the preservation of water quality and quantity in our locations and neighbouring communities. Through recycling programs and responsible water usage practices, we aim to reduce freshwater withdrawal and consumption.

In cement manufacturing, water is primarily used for industrial process cooling as the production process itself is dry. There is no wastewater generated in our cement production, as we operate as a Zero Liquid Discharge (ZLD) Unit. To address domestic sewage and wastewater from auto shops, we have installed sewage treatment plants (STPs) and effluent treatment plants (ETPs). We maintain a ZLD approach by recycling 100% of the treated water, utilising it for activities such as greenbelt development and dust suppression. Another key aspect is the implementation of scientifically designed rainwater harvesting structures enabling successful rainwater harvesting. This allows us to substitute fresh water with natural rainwater in our plant operations



**At UCWL we prioritise water conservation, with liquid and solid waste**

# SUSTAINABLE SOURCING

Sustainable sourcing in the Indian cement industry emphasises the use of alternative raw materials to minimise environmental impact. It also involves partnering with suppliers who meet stringent environmental and social standards, ensuring sustainability throughout the supply chain. At UCWL, we actively embrace both practices by incorporating alternative raw materials and cultivating responsible supplier relationships.

**Alternative Raw Material:** Through co-processing, we utilise various industrial wastes as direct replacements for virgin raw materials, minimising environmental risks. 27% of our sourced raw materials (such as Flyash, Gypsum, and Slag) are industrial waste materials, effectively replacing the need for an equivalent amount of virgin natural resources in cement production.



## ALTERNATIVE RAW MATERIAL USED IN PRODUCTION

CHEMICAL GYPSUM

JAROSITE

FLYASH

FF SLAG



## RECYCLED OR REUSED INPUT MATERIAL RATIO TO TOTAL PRODUCT

1.33%

0.62%

21.94%

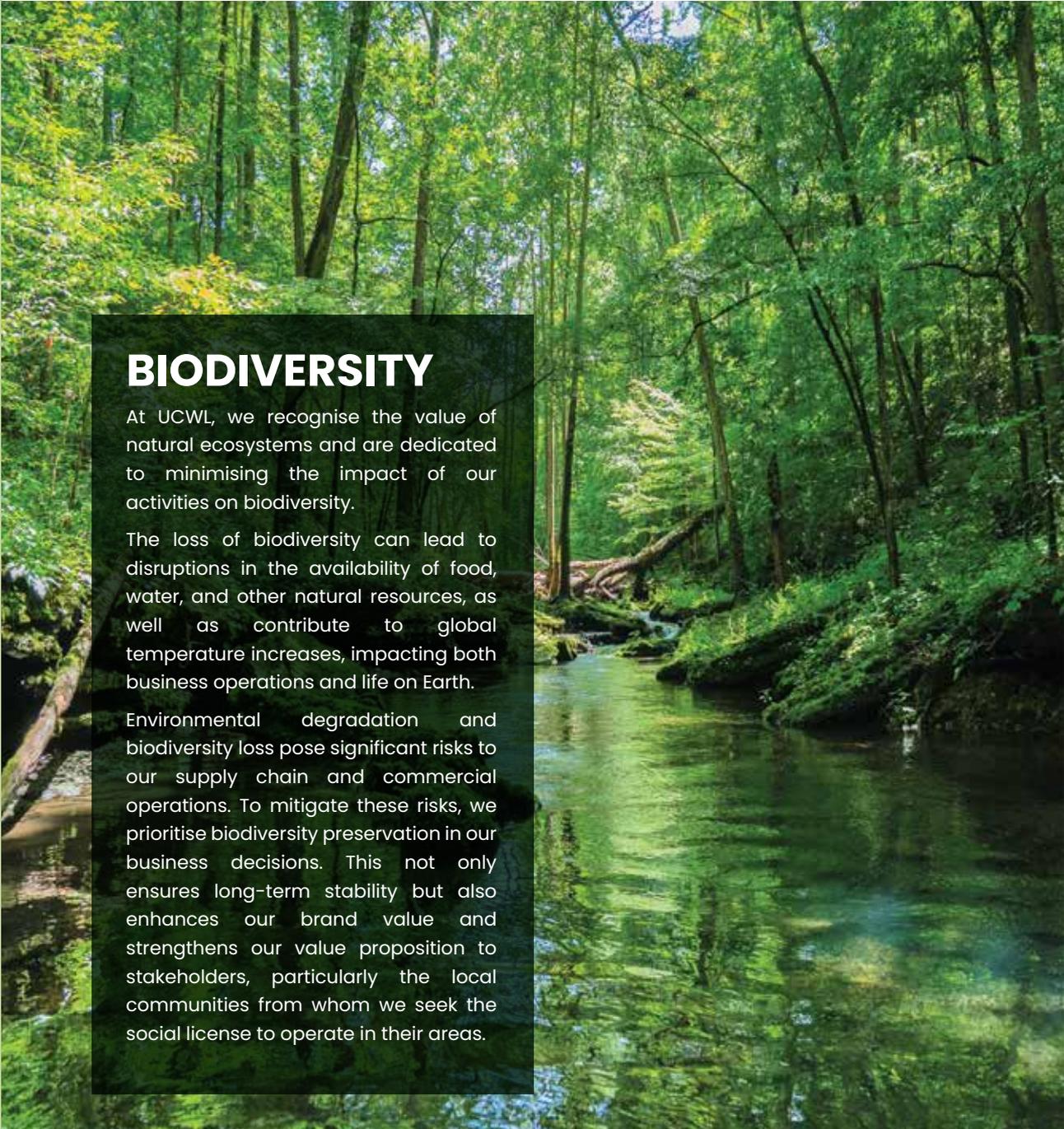
4.09%

UCWL is a 'water-positive' Company and takes great pride in harvesting more water than we actually need, with a water positivity index of 3.6(P).



**Sustainability in Sourcing :** When selecting vendors, UCWL prioritises safety and environmental considerations alongside commercial aspects, emphasising sustainable sourcing. We opt for low-lead suppliers for raw materials and prioritise green transportation means to reduce our carbon footprint.

We continuously update our procurement and sourcing practices to ensure ongoing sustainable sourcing.



## **BIODIVERSITY**

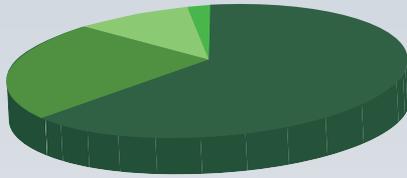
At UCWL, we recognise the value of natural ecosystems and are dedicated to minimising the impact of our activities on biodiversity.

The loss of biodiversity can lead to disruptions in the availability of food, water, and other natural resources, as well as contribute to global temperature increases, impacting both business operations and life on Earth.

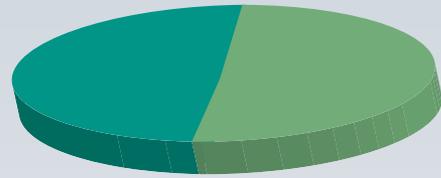
Environmental degradation and biodiversity loss pose significant risks to our supply chain and commercial operations. To mitigate these risks, we prioritise biodiversity preservation in our business decisions. This not only ensures long-term stability but also enhances our brand value and strengthens our value proposition to stakeholders, particularly the local communities from whom we seek the social license to operate in their areas.

# ENERGY EFFICIENCY

To enhance our energy efficiency, year after year, we are actively exploring alternative fuel sources, investing in energy-efficient equipment, and optimising our production processes to reduce energy consumption at every stage. In the financial year too, we continued to reduce our dependency on non-renewable energy resources.



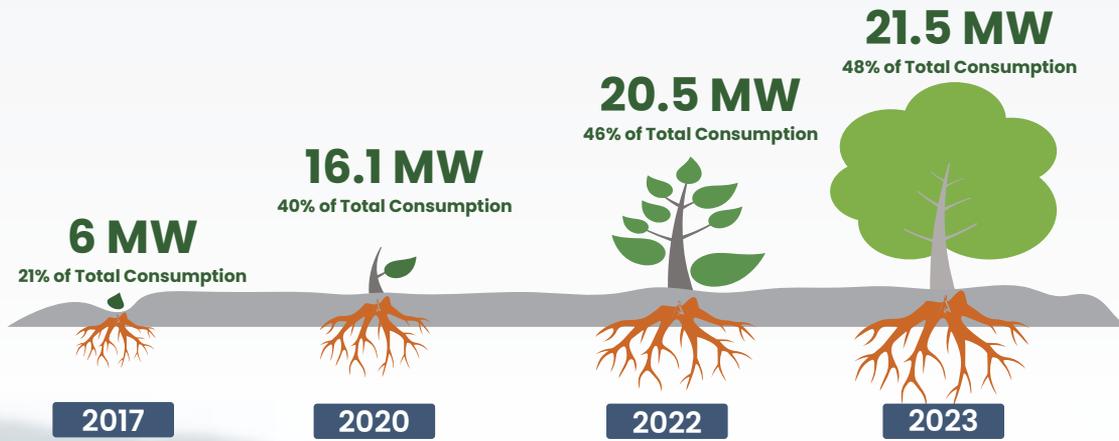
■ Solar-1 24%   
 ■ Solar-2 11%   
 ■ Solar-3 2%   
 ■ WHRS 63%



■ Green Energy 49%   
 ■ Grid Energy 51%

## Integrating towards Sustainable Future

Renewable Energy Capacity (WHRs + Solar)



ENERGY EFFICIENCY IMPROVEMENT MEASURES   FY 2022-23			
Initiative	Category	Verified Energy Savings	Fuel Saving (In MT)
PH Cyclone 1A & 1B modification sloping down the roof profile of the cyclone to a flat surface and replacing hurricanes with immersion tubes improved the dust collection efficiency from 10% to 12%.	Electrical & Thermal	3,60,900 kWh	176
ESP inlet duct & burner trolley modification for kiln burner replacement significantly reduced the time required for replacing the kiln burner, resulting in a saving of 16-20 hours of kiln stoppage.	Electrical & Thermal	33,600 kWh	76
Developing an in-house system for bulk cement loading in containers, and we started container loading with the newly developed system in CONCOR. In FY 2022-23, we loaded 45,148 metric tons of cement in containers, saving 0.09 kWh per ton on bag loading.	Electrical	4,050 kWh	0
Replacing the reject material belt with a closed air slide in cement mill 1 & 2, resulting in power savings and preventing fugitive dust emissions. This modification saved 0.09 kWh per ton of cement. In total, we produced 14,68,501 metric tons of cement in FY 2022-23.	Electrical	1,33,668 kWh	0
Developed a standby cooler fan system for the recuperation zone, which saved 12 hours of kiln stoppage per year.	Electrical & Thermal	25,200 kWh	57
Designed and installed an in-house standby girth gear lubrication system for the kiln, which saved 12 hours of kiln stoppage.	Electrical & Thermal	16,800 kWh	38
Opened the intermediate diaphragm scoop opening (CMI & CM), which reduced over grinding in chamber 1 and increased the material returned to the mill, resulting in power saving of 0.2 kWh per metric ton.	Electrical	2,93,700 kWh	0
Replaced rotor blades with modified angles in raw mill resulting in reduction in raw mill residue & power (0.23 Kwh/mt). The raw mill production in FY 2022-23 was 21,65,866 metric tons.	Electrical	5,06,706 kWh	0
Inhouse modification of RABH purging sequence logic implemented in ABB DCS from CCR (Power saving : 0.1 Kwh/mt ).	Electrical	1,44,360 kWh	0

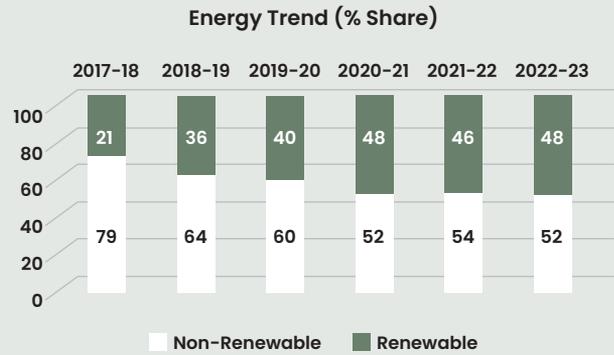
## GREEN STRATEGY

UCWL has spearheaded the development of green energy utilisation, starting with the implementation of a 6.0 MW Waste Heat Recovery System (WHRS) during the early stages of Clinker production in 2017.

Continuing its commitment to sustainable practices, UCWL achieved significant progress by 2023. The Company installed a 10.0 MW ground mounted solar plant in the first phase, followed by a 4.35 MW solar plant in the second phase. Additionally, UCWL became the first in Northern India to receive approval from DGMS (Directorate General of Mines Safety) for a 1 MW floating solar plant in the mines, further boosting our green energy capacity totalling to 15.45 MW.



UCWL aims to be a carbon neutral company by the year 2040. The organisation has also made significant strides in renewable energy adoption, currently at an impressive 48% of total consumption. While our target is to surpass 80% by 2030.



Furthermore, to optimise the utilisation of WHRS capacity, following modification and improvement initiatives were carried out, which further improved the overall renewable energy segment.

- 1** AQC Boiler O/L Duct Pressure Drop Reduction. Increase in Pressure and Flow in AQC boiler by controlling Cooler Fans RPM by cascading PID loops with Boiler I/L Temperature.
- 2** Kiln Feed Stage Change from 5th Stage Feeding to 4th Stage Feeding using Splitter Damper in Air Slide.
- 3** Reduced WHRS Auxiliary Consumption in the range of 4-5 %.

We also prioritise the optimisation of plant operations to maximise solar power utilisation during daytime hours, by sparing night hours for maintenance as feasible.

## Glimpse of Floating Solar Plant at UCWL Daroli Limestone Mines



## CASE STUDY

### Raising the Green Energy Bar in Cement Production

Demonstrating an exceptional commitment to green energy, UCWL's integrated cement manufacturing unit in Udaipur, Rajasthan, has achieved remarkable results in utilizing renewable energy for its operations.

With an installed cement production capacity of 2.2 million tons per annum (MTPA), Udaipur Cement Works Ltd. has ingrained the principles of sustainable

development into its daily business activities. The company's Integrated Sustainable Development Policy serves as a guiding framework, ensuring a focus on product quality, customer satisfaction, and innovation.

As UCWL advances on the path of excellence, the Company remains dedicated to its philosophy of creating a better tomorrow through sustainable practices, ensuring a harmonious coexistence of industry and the environment.

# SOCIAL AND RELATIONSHIP CAPITAL

## NURTURING TODAY FOR A SELF-RELIANT TOMORROW

### Strengthening our engagement with communities, customers and supply chain

We proactively invest in nurturing our social and relationship capital, which is deeply ingrained in the way we conduct our business at UCWL. Whether it is fostering connections with our supply chain or engaging with our neighbouring communities, we have diligently built strong and reliable bonds over the years. These relationships have fostered trust, goodwill, and created opportunities for all stakeholders.

We strongly believe that empowering individuals and communities can unlock new opportunities and establish a solid foundation for an inclusive and sustainable future. Our approach to Corporate Social Responsibility (CSR) is based on designing and delivering stakeholder specific need-based projects, tracking of impact through project based key performance indicators (KPIs) and partnering with like-minded organisations for resource leveraging and knowledge sharing. Additionally, we have strategically designed a robust stakeholder engagement mechanism to actively involve our customers and supply chain partners. By understanding their needs and expectations, we aim to foster strong, transparent, and trust-based relationships with them.

Our unwavering commitment to environmental, social, and governance (ESG) principles, along with our focus on key growth drivers that enhance community well-being and contribute to nation-building, further underpin our values.

**“Our Company has always been at the forefront of propagating inclusive growth and sustainable development. We have designed and implemented several high impactful and life-changing projects in our communities. We partner with various like-minded organisations and promote employees volunteering to achieve better outcomes”.**

**SH. SHRIVATS SINGHANIA,**  
Director & Chief Executive Officer

UCWL  
RECOGNISES THE  
SIGNIFICANCE  
OF SOCIAL AND  
RELATIONSHIP  
CAPITAL AS  
INTEGRAL  
COMPONENTS  
OF OUR  
BUSINESS  
OPERATIONS.



## HIGHLIGHTS OF FY 2022-23

Total benefits created worth approximately ₹ **116.18** Lakhs

Directly impacted lives of **70,179** beneficiaries

Awarded '**Most Promising Brand**' by The Economic Times

Platinum Heavy Duty Cement Facebook page witnessed an increase of **17,000** followers on facebook

More than **1,000** dealers covered through Loyalty Program

## FOCUS AREAS

**COMMUNITY:** Working towards the overall wellbeing of the society

- o Health, Water & Sanitation
- o Education
- o Livelihoods & Skill Development
- o Rural Development

**CUSTOMERS:** Working towards customer satisfaction and loyalty

**CHANNEL PARTNERS:** Working towards a mutually beneficial and sustainable business relationship

# CONTRIBUTING TO THE COMMUNITIES

Working towards the overall wellbeing of the society

## VISION

To strengthen community relationship and to bring sustainable change in quality of life of neighbourhood community through innovative solutions in Health, Education, Livelihoods and Rural Development.

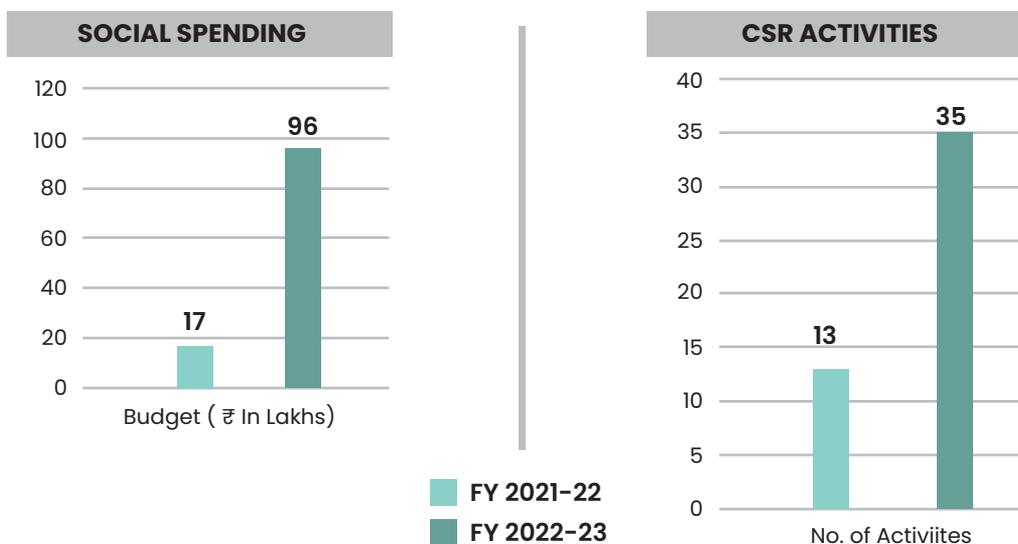
## IMPACT FOOTPRINT

UCWL's CSR approach focuses on making a positive and lasting impact on the communities in and around its mines and plants. Through multiple projects addressing various development needs, every person in the villages is benefiting, on average, from three initiatives. This comprehensive approach has led to a significant increase in the number of lives impacted, with beneficiaries experiencing a 28-fold growth.



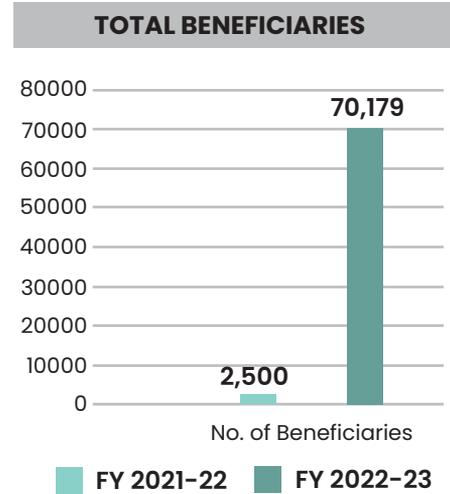
## CSR INVESTMENT

UCWL's commitment to corporate social responsibility is evident in the substantial increase in its CSR budget, which has grown fivefold in the recent financial year. This increased allocation of resources demonstrates the Company's dedication to making a tangible difference in the lives of the community members.



## BENEFICIARY REACH

With a total of 70,000 CSR beneficiaries, UCWL's projects are creating opportunities, promoting sustainable development, and uplifting the quality of life for individuals and families. By addressing diverse needs and actively engaging with the community, UCWL is fostering positive change and contributing to the holistic development of the regions it operates in and beyond.



### PROJECT-WISE BENEFICIARIES

S.No.	CSR Project	No. of individuals directly benefitted/impacted
1	UCWL Aarogya	52,827
2	UCWL Vidya	2,563
3	UCWL Aajivika	4,648
4	UCWL Swajal & Swachhta	1,753
5	UCWL Gramin Vikas	8,338
6	UCWL Kaushal Prashikshan	50
<b>TOTAL BENEFICIARIES</b>		<b>70,179</b>

## UCWL AAROGYA PROJECT

Project Aarogya enhances public healthcare facilities and provides affordable healthcare services, with a specific focus on mother and child well-being. A need assessment study conducted revealed that approximately 57% of households identified poor healthcare services and facilities as a major concern, while 40.60% recognised women's health as one of the top community needs.

To address these challenges, key initiatives have been implemented, which include a comprehensive training program on malnutrition, anemia, and home-based newborn care for Anganwadi and ASHA workers. Additionally, medical equipment support has been provided to 38 Anganwadis in villages surrounding the mines. Furthermore, awareness sessions on critical issues such as pneumonia, malnutrition, and anemia have been conducted, benefitting 273 women.

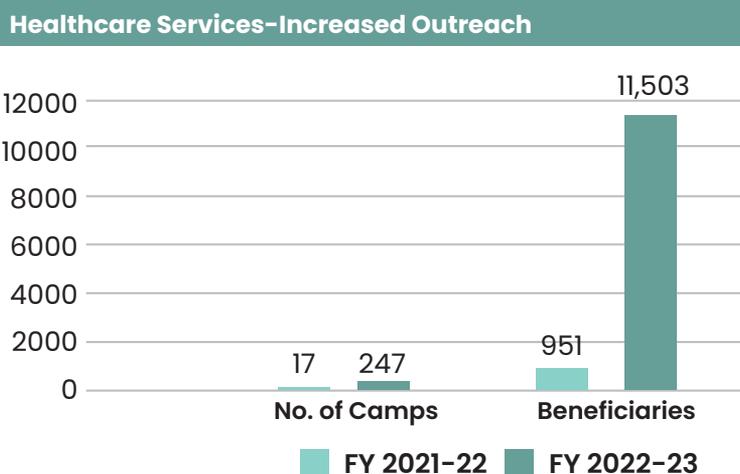


Through Project Aarogya, UCWL is actively working towards improving healthcare accessibility and quality, ensuring the well-being of women and children in the communities it serves.

# UCWL AROGYA PROJECT

## Increased Coverage and Outreach

Sl. No.	Area of Intervention	No. of Camps	Beneficiaries
1	Health Camps	240	10,765
2	Multispecialty Health Camp for Eye, Skin, Ortho etc.	7	738
	<b>Total</b>	<b>247</b>	<b>11,503</b>



# UCWL VIDYA PROJECT

An initiative aimed at providing career counseling and guidance to students in grades X to XII, Vidya Project has played a crucial role in empowering students to make informed career choices and develop essential skills for their future endeavors.

In a pre-assessment conducted in May 2022, it was found that out of 142 students, 57% remained undecided about their future educational and career paths. The assessment also highlighted the top four challenges faced by students when making career choices, including lack of information about different career options (28%), insufficient knowledge about their interests and abilities (23%), limited financial resources (18%), and lack of guidance from family and school (18%).

To address these challenges, the project offered career counseling sessions conducted by certified counselors, enrolling a total of 160 students from two schools in grades X to XII. Out of these, one-on-one career counseling sessions, including parental involvement, were provided to 142 students. This intervention helped students explore and identify three career options or preferences.

Furthermore, the project had several additional positive impacts, including increased awareness of self-employment and work-from-home options, improved listening skills, enhanced class attendance, improved English fluency, and increased computer knowledge among the students.

The Company is under taking other education based initiatives to improve school and classroom infrastructure for quality learning experience and safety of children.

Sl.No	Activity	No. of beneficiaries
1	Infrastructure support - 4 schools	613 students
2	Eye & dental camps-13 schools	1,718 students
3	Jawahar navodaya entrance exam coaching - 2 centres	45 Students - 25 Boys & 20 Girls
4	School bag with detachable table distribution	539 students - 9 Govt. Primary Schools

## UCWL AAJIVIKA PROJECT

Project Aajivika has been instrumental in empowering youth, promoting agriculture development, and ensuring livestock welfare.

**Youth Employment:** In the FY 2022-23 the Company provided the employability training to youths and supported them with job placement. A total of 22 youths benefitted from this program.

Additionally, 5 school drop-out girls were offered training and placement support securing employment with a starting salary of ₹ 9000 per month.

### Agriculture Development

UCWL supported farmers with high-yield seeds, pesticides, vermicomposting training, and goatry programs. 118 farmers were supported with high-yield variety seeds and pesticides, and 80 farmers received training in vermicomposting, leading to net savings of ₹ 27,000 for 15 farmers. Additionally, 25 farmers received goatry training, emphasising enterprise development.

### Livestock Development

UCWL worked with the Government Animal Husbandry Department, benefiting households and cattle owners through disinfection campaigns and veterinary camps.

The Company collaborated with government department and saved thousands of cattles during the outbreak of lumpy skin disease in Rajasthan.



## UCWL GRAMIN VIKAS PROJECT

With the aim of strengthening infrastructure development and improving the livelihoods of communities, UCWL successfully conducted renovation work for the Government Veterinary Hospital in Khemli during the financial year. The Company repaired and renovated rainwater harvesting structures in the area.

As a result, approximately 14 lakh litres of rainwater can now be stored, directly benefiting 643 households. This initiative will have a significant positive impact on agriculture and growth in the region, positively influencing the lives of numerous households.

## UCWL SWAJAL AND SWACHHTA PROJECT

Project Swajal & Swachhta focuses on access to drinking water. In the FY 2022-23, the project undertook initiatives such as the repair of water infrastructure, pipeline fitting at the sub health centre, construction of a drinking water structure, and renovation of the toilet at the Aanganwadi centre in Jaspura. These initiatives will benefit a total of 1,753 individuals, improving water resources and promoting better health and sanitation within the community.

## **IMPROVED AGRICULTURE AND ENHANCED INCOME**

### **Success Story**

Nathu Lal (name changed), a 50-year-old resident of a village nearby, has achieved remarkable success in vegetable cultivation. After attending an agriculture training program organised by UCWL CSR, he ventured into cultivating Lady Finger and Coriander using seeds provided by UCWL. Through his dedication, he earned an impressive income of approximately ₹25,000 by selling the harvested vegetables. Encouraged by his accomplishments, Nathu Lal plans to expand the cultivation area in the future.

His achievements have also inspired other farmers in the village, with a total of 14 farmers embracing this initiative. They have experienced an average additional income ranging from ₹4,268 to ₹9,144. Nathu Lal's journey serves as a testament to the positive impact of UCWL's efforts in enhancing livelihoods and inspiring the community to follow suit.



## **CUSTOMERS**

### **WORKING TOWARDS CUSTOMER SATISFACTION AND LOYALTY**

Since its inception, UCWL has played a pivotal role in propelling infrastructure development in its targeted markets. Through its synergistic approach and ongoing innovations in the cement industry, the company is swiftly emerging as a frontrunner in achieving the vision of a self-reliant India.

UCWL places a strong emphasis on customer satisfaction and strives to create value for its customers, thereby establishing and maintaining a stellar brand image. By combining modern technology with its rich legacy, UCWL's brand philosophy centres around sustainable brand pull and the cultivation of robust brand value that contributes to a better tomorrow. The Company maintains an unwavering focus on product quality, customer satisfaction, and innovation.

The Company actively seeks opportunities to develop and implement new technologies, methodologies, and practices that enhance its product offerings and overall operations. By staying at the forefront of industry advancements, UCWL remains agile and responsive to the changing needs of its customers and evolving market landscape.



FY	2021-22	2022-23
Trade %	54%	53%
Non Trade %	46%	47%

**Building Strong Relationships and Brand Recognition**

UCWL's comprehensive strategy aims to foster relationships and enhance brand recognition. With renowned boxer Vijender Singh as the brand ambassador, the "Platinum" brand resonates seamlessly with its target audience.

**Impactful Presence in Electronic and Print Media**

Brand Platinum adopted an approach on electronic media that associated itself with impactful properties. L Bands, Aston bands, and logo bugs were strategically placed on news channels during significant events like budgets and elections, capturing the undivided attention of viewers. Additionally, brand campaigns for Platinum Heavy Duty Cement and Platinum Supremo Cement were featured in leading newspapers at different intervals.

**Strengthening Brand through Digital Media**

Apart from traditional media, UCWL has made significant progress in brand building through digital media in FY 2022-23.

- Facebook page of Platinum Heavy Duty Cement witnessed a remarkable increase of 17,000 followers
- Instagram saw a growth of 380 followers.
- Brand films featuring Vijender Singh garnered approximately 5.5 million views on Facebook and 6.4 million views on YouTube

**Prominent Visibility through Outdoor Media**

To increase brand visibility in its operational markets, Udaipur Cement has adopted a substantial and impactful outdoor media strategy. The objective is to ensure that the brand is prominently displayed in high-traffic areas such as temple towns, airports, bus stands, and highways. This has been achieved through the use of wall wraps, impactful wall paintings, and highway hoardings, strategically placed to capture the attention of passersby.

Some notable achievements of 2022-23 are:

- 213 no. of hoardings across highways, inside city and places of high congregation.
- 17 no. of low floor bus branding at Udaipur and Jaipur

- 36,16,940 sq. ft. wall painting / shop painting
- 128 no. of impact wall paintings
- Impactful OOH campaign at Udaipur Airport
- Innovative low floor bus campaign at Udaipur

The Company consistently prioritises all customer segments and adopts a customer-centric approach. To ensure customer feedback, the Company has implemented a toll-free helpline telephone number that offers prompt solutions to customer queries.

**Technical Service Cell**

UCWL's Technical Service Cell, composed of qualified civil engineers, plays a crucial role in supporting customers throughout the pre- and post-sales process. Their aim is to create brand awareness and generate demand.

The team conducts regular site visits to understand the specific requirements of individual house builders. They proactively address market feedback, making product improvements when necessary. Through live demonstrations, they highlight the product's unique features and emphasise the importance of structural durability. Additional services provided include the use of cover blocks and shuttering tapes to prevent cement slurry leakage, slab supervision, guidance on construction practices, and customised design mix of concrete.

These efforts have resulted in a significant increase in demand. UCWL has successfully converted numerous sites from competing brands, showcasing their customer-centric approach and commitment to meeting customer needs.

We also operate Mobile Concrete Labs (MCL) in our major markets, offering a wide range of technical services like quality checking of construction materials, testing of fresh concrete & concrete cubes to consumers at their construction sites.

Various demand generation activities done during FY 2022-23 are listed below:

- 29,500+ visits
- 1,500+ site guidance activities
- 2,450+ product quality demonstration
- 1,925+ slab supervision service
- 23 individual householder meets
- 21,000+ ton conversion through 2,180+ sites



**Awards and Appreciation**

UCWL has been recognised at various levels for its efforts in brand building as it was awarded 'Promising Brand' by The Economic Times. This recognition is a testimony of brand being trusted by the customers and compelling us to achieve excellence in our journey.

**SOCIAL AND RELATIONSHIP CAPITAL**  
**CHANNEL PARTNERS**

**WORKING TOWARDS A MUTUALLY BENEFICIAL AND SUSTAINABLE BUSINESS RELATIONSHIP**

UCWL believes in fostering open communication, collaboration, and mutual trust with its channel partners. Our primary focus is to consistently exceed the expectations of our channel partners, ensuring their motivation, engagement, and satisfaction in working with us. We achieve this by strategically enhancing brand visibility through wall and shop painting in the catchment areas of their shops. Additionally, we provide in-shop branding, merchandising items, display standees, and boards, all of which contribute to maintaining strong brand visibility on their premises.

**Channel Partners Support**

	FY 2021-22	FY 2022-23
No of Dealers	723	648
No of Depots	56	56

**Some of the activities done in FY 2022-23:**

<b>535</b> Dealer Boards	<b>968</b> Retailer and Small Consignee Boards
<b>50</b> Dealer Shop Hoarding	<b>83</b> Inshop Branding



**Dealer onboarding program**

To create a unique and exceptional experience for new dealers, we introduced a distinct dealer onboarding program. This program ensures structured support and a unique experience for new associates. They receive a welcome kit, pop kit, and welcome hamper, along with sales, branding and technical assistance. This initiative aims to create a competitive advantage and foster trust and satisfaction between our brand and dealers. The objective is to reduce churn, encourage long-term loyalty, and leave a lasting impression in their minds. The new dealer onboarding program successfully serviced a 107 number of dealers, achieving an average service level of 90% across all markets of UCWL. Additionally, we have supplied merchandise and POP items to our channel partners' counters to further enhance brand visibility and engagement.

**Engagement Mechanism:**

Throughout the year, we actively engaged with our channel partners through various initiatives to motivate, incentivise, and revitalize their commitment. These



efforts included conducting dealer meets, retailer meets, and an annual dealer conference across our markets. By organising these engagement events, we aimed to strengthen our relationship with channel partners, inspire their enthusiasm, and foster a sense of belonging within the UCWL network. These initiatives demonstrate our dedication to building strong partnerships and nurturing a collaborative ecosystem that benefits all stakeholders involved.

**Loyalty Program**

For our dealers, we have implemented a loyalty program called SANKALP. This program aims to achieve various objectives, including increasing product lifting, enhancing motivation, fostering engagement, and adding aspiration value. Currently, SANKALP boasts a membership of over 600 dealers. We have introduced new and exciting ways for program members to earn bonus points, along with the inclusion of new soft touch points to enhance their overall experience. To further elevate the engagement and participation of dealers, we have renamed the categories as Royal, Elite, Aristocrat, and Classic Clubs. This rebranding has successfully boosted the dealers' enthusiasm and active involvement in the club.

In FY 2022-23, we launched the prestigious 'President Club', an exclusive tier within SANKALP that offers special benefits to super achievers. Members of this distinguished club were presented with exclusive gifts and received recognition throughout the year. The introduction of the President Club aimed to reward outstanding performance and further motivate dealers to strive for excellence.

**Influencers' Relationship**

To effectively manage relationships with influencers, we have implemented a mobile app-based loyalty program called VIJETA, which currently has over 16,000 members. This program aims to incentivize masons and contractors to recommend our products to end users, and we continuously seek ways to engage with them. Along with awarding points to members, we prioritize enhancing their technical knowledge, improving their craftsmanship, and fostering a strong bond with them. As part of our efforts, we have organized various competitions for the children of

Vishwas members, creating a holistic experience for the community. Additionally, we provide accidental insurance to program members under group personal accident (GPA), where the company pays the premium on behalf of the members and insures masons for Rs 2 lakhs, subject to the terms and conditions of the insurance company.

**Training Sessions**

UCWL consistently organises training sessions and meetings for contractors through our proficient team of civil engineers in the Technical Services Cell. These events serve as opportunities for skill development among influencers, enabling them to stay updated on best construction practices and new techniques while contributing to India's progress. The significant participation in these events highlights UCWL's unwavering commitment to providing essential assistance in skill development for influencers. Moreover, under our CSR policy, we conduct health camps for masons, contractors, and their families. Furthermore, to acknowledge and appreciate the efforts of architects and engineers, we have launched a loyalty and rewards program called 'SAMMAN', which currently enrolls more than 500 architects and engineers. Through this program, we aim to foster stronger relationships and provide recognition for their contributions.



**INFLUENCER ENGAGEMENT ACTIVITIES DONE IN FY 2022-23**



## Dear Members,

Your Directors are pleased to present the 27<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2023.

## FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS

(₹ In Crore)

	2022-23	2021-22
Sales & Other Income	1032.26	881.10
Profit before Interest, Depreciation & Tax (EBIDTA)	135.04	153.82
Profit before Depreciation & Tax (PBDT)	87.48	103.56
Profit before Tax	50.48	64.81
Profit after Tax (PAT)	35.10	48.43
Surplus/(Deficit) brought forward	74.12	25.69
Surplus carried to Balance Sheet	109.22	74.12

## PERFORMANCE REVIEW

Continuous rise in input and fuel prices has resulted into increased variable costs and also selling freight getting costlier. No doubt this has resulted into shrinking margins and increased pressure on profitability. However, your company due to its internal efficiencies, product mix, effective logistics and brand strength have been able to grab opportunities. Effective co-ordination of manufacturing/support/marketing functions have played their role in being instrumental to achieve the desired objectives. With strong brands in our stride, we at UCWL are poised to cater to a satisfied customer base with an increased market presence.

During the Financial Year 2022-23, the Company's Cement production stood at 14.69 Lakh Tonnes. Our total Sales volume including Clinker and trading activities comes to 20.35 Lakh Tonnes against 19.49 Lakh Tonnes for the last financial year. Thereby, your Company has recorded an all-time High Sales of ₹ 1030.97 Crores, showing a jump of ~18% over sales of ₹ 875.98 Crores achieved in the previous Financial Year.

On the operations front, as always your Company has continued looking at being operationally efficient. We have been working aggressively on various operational

efficiency improvement levers. During FY22-23, UCWL has continued to efficiently utilize the renewable resources. Our power generation from Renewable resource (WHRS+Solar) was around 48% in FY22-23. We have also been working for betterment of our geomix and also towards further improvements in our supply chain efficiency. Despite tough situation due to rising input prices and war situation in Europe and its disseminating impacts on national/local level, we have achieved EBIDTA of ₹ 135.04 Crores against ₹ 153.82 Crores achieved in the previous Financial Year. Seen in isolation this apparent fall is despite the ginormous rise in input and fuel prices.

## AWARDS AND RECOGNITIONS

Your Company is pleased to mention some of the awards and accolades won during the year :

- National Safety Council of India Safety Award for consistence and remarkable safety performance.
- Rajasthan Best Employer Brand Awards 2022, Jaipur.
- Our Limestone mines at Daroli has been awarded by Indian Bureau of Mines, Ajmer region for weekly certificates in multiple categories.
- Economic Times Promising Brands Award 2022 to Platinum Heavy Duty Cement
- Employer's Association of Rajasthan Special Jury Trophy 2022 for "Outstanding Contribution in Skill Development".
- Received Platinum award at "13<sup>th</sup> Exceed Occupational Health Safety & Security awards 2022" from "Sustainable Development Foundation" for best practices in industrial security from Hon'ble social welfare minister of Goa Mr. Subhash Phal Dessai.
- 46<sup>th</sup> Mines Safety Week awards by Directorate General of Mines Safety, Udaipur region in multiple categories.
- 38 UCWL employees have been awarded with "Certificate of Achievement" for "ISO Internal Auditing" in the month of Dec' 2022, awarded by Bureau Veritas.

## PROGRESS OF THE PROJECTS & EXPANSION

Especially in our Cement Industry the old adage "Being there at the right place and right time" is very important.



We are part of an industry where its constituents are closely competing with each other fiercely. To sustain and grow has been the “mantra” your Company has been following. In resonance with the same, we have embarked on the journey towards an expansion project involving additional Clinker Line of 1.50 Million Tonnes Per Annum and Cement Grinding Unit of 2.50 Million Tonnes Per Annum. With this the Total Clinker Capacity shall be doubled viz., from 1.50 Million Tonnes Per Annum to 3.0 Million Tonnes Per Annum (Phase I) and Total Cement Capacity shall be enhanced from 2.2 Million Tonnes Per Annum to 4.7 Million Tonnes Per Annum (Phase II). In line with the same, your Company is already on the right path to strengthen its existing base and make deeper forays in the wider market.

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Control which commensurate to its size, complexity and the nature of its business. These Internal Financial Control Systems and Policies & Procedures ensure accuracy and completeness of the accounting records and also help in timely preparation of the reliable financial statements. These systems also ensure safeguarding of the Company's assets and prevention and detection of frauds and errors in the reporting mechanism. The Company also has in place the specific Standard Operating Procedures (SOPs) for its various functional areas. These SOPs are reviewed periodically by the Internal Audit Team and exceptions, if any, are reported and corrective actions are taken therefore. The Company's IT System is based on a robust ERP System which ensures seamless connectivity of plants, sales offices and head office for faster and more reliable processing of transactions as well as generating reports for faster decision-making. The Company also has a strong control system and management reporting system which serve as the backbone for monitoring its operations to ensure that business results are achieved and continuously improved.

The Internal Financial Control Systems are regularly reviewed to ensure their effectiveness, taking into account the essential components of Internal Controls stated in the Guidance Note on the Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on such assessments carried out by the Management, no reportable material weaknesses in the adequacy in the

System of Operations of Internal Financial Controls were observed during the year.

### CORPORATE SOCIAL RESPONSIBILITY

Serving the society towards improving the quality of life of the community at large has always been a priority of your Company. The concept of socially responsible business is deeply ingrained in our corporate DNA right from the inception and since we have been pioneering and delivering multiple need based and high impact CSR projects for needy and vulnerable communities & families living around our business operations. The Company's CSR vision clearly states to strengthen community relationship and to bring sustainable change in the quality of life of neighborhood community through innovative solutions in Education, Health, Water & Sanitation, Skills Development, Livelihood Promotion and Rural Development.

CSR is the continuing commitment by the Company to behave ethically and contribute to economic development, while improving the quality of life of the work force, their families as well as of the local community and society at large. The Company is committed to bring long term transformational changes in the lives of the neighborhood communities of the plant through sustainable and impactful projects around the key development issues in the local area through its various CSR projects the Company has been able to directly impact and bring positive changes in the lives of more than 70,000 people living in the villages around the plant in Udaipur.

During the reporting period the Company designed and implemented community need based CSR projects and targeted marginalised & vulnerable families with an aim to improve their lives through projects like UCWL Aarogya, Vidya, Aajivika, Swajal & Swachhta, Gramin Vikas, Kaushal Prashikshan etc. Some of the key initiatives during the reporting period were career counselling program for the students of Standard X-XII in Government Senior Secondary schools, job linked skill development training and placement for school & college drop-outs, agriculture and livestock development in partnership with Government Animal Husbandry Department Udaipur, among others. The Company also responded and saved thousands of cattles lives when Rajasthan state saw massive spread of lumpy skin disease during July-September of the reporting period. This was highly appreciated by various



stakeholders including District Administration.

The Company demonstrated its commitments towards inclusive development and implemented several "Ongoing Projects" in thrust areas of Health; Water & Sanitation; Education, Skilling & Livelihoods and Rural Development. During the reporting period the Company undertook several new initiatives under different projects. Under project Aarogya regular health camps were organized to provide quality health services at the doorsteps, which benefitted more than 7000 people. Under project Vidya career counselling sessions were organized for students in the Government Senior Secondary Schools; School Bags with inbuilt detachable table were provided to more than 400 students of government primary school; Jawahar Navodaya Entrance Examination Coaching was started for Standard V students and several eye and dental camps were organized in government schools. To improve livelihoods under Project Aajivika, the Company undertook multiple on-farm and off-farm activities including employability skills trainings to support youths and families to ensure sustainable income. Number of youths were provided employability trainings and were facilitated for the placement locally. Number of small and marginal farmers were supported with soil testing, seeds, and training on improved agriculture practices. Livestock development has also been one of the key activities to strengthen livelihoods of the communities and families. As a part of livestock development, the Company had undertaken door-to-door veterinary services including infertility treatment, awareness on disease management and fodder development in villages with the support of Animal Husbandry Department, Government of Rajasthan. Under Project Aajivika, goatry enterprise development training was provided to 25 farmers, high yield variety seeds were provided to farmers and vermicompost support was provided to number of farmers which resulted in reduction in the use of chemical fertilizer and increase in family income, lemon orchards were also established for differently abled persons. Under project Gramin Vikas the Company undertook repair of anicut for watershed development and renovation of government veterinary hospital and government school buildings in the plant nearby area.

One of the breakthrough achievements during the reporting period has been increased coverage and outreach which has impacted thousands of families in the villages around the plant.

Your Company is also promoting employee engagement in various CSR projects to create socially responsible behaviour among its employees.

The Company has requisite Corporate Social Responsibility Policy in accordance with the provisions of the Companies Act, 2013 (Act) and Rules made there under, as amended. The CSR Policy along with brief description of CSR Project is disclosed on the website of the Company at <https://udaipurcement.com>.

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

#### **RELATED PARTY TRANSACTIONS**

During the Financial Year ended 31<sup>st</sup> March 2023, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business, on an arm's length basis and were in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Form AOC-2 containing the details of the material Related Party Transactions entered into during the Financial Year 2022-23 as per the Related Party Transactions Policy is attached as **Annexure 'B'** to this Report and forms a part of it. The Related Party Transaction Policy as amended and approved by the Board is available on the website of the Company.

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

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

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

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



## AUDITORS

### (a) Statutory Auditors and their Reports

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

The observations of the Auditors in their Report on Accounts and the Financial Statements, read with the relevant notes are self-explanatory. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. Further, no fraud has been reported by the Auditors to the Audit Committee or the Board.

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

Pursuant to the provisions of Section 204 of the Act, the Board of Directors appointed Shri Namoo Narain Agarwal, Company Secretary in Practice, as Secretarial Auditor to carry out Secretarial Audit of the Company for the Financial Year 2022-23.

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

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

M/s HMVN & Associates, Cost Accountants, conducted the Audit of cost records of the Company for the Financial Year ended 31<sup>st</sup> March 2022 and as required, Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Company has duly maintained requisite Cost Accounts and Records pursuant to Section 148(1) of the Act.

The Audit of the Cost Records of the Company for the Financial Year ended 31<sup>st</sup> March 2023 is being conducted by the said Firm and the Report will be duly filed.

## DEPOSITS

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

### NON-CONVERTIBLE DEBENTURES

During the period under review, the Company has issued and allotted 3,500 nos. of Secured Rated Listed Guaranteed Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹ 10,00,000 (Rupees Ten Lakh) each for cash at par aggregating to ₹ 350 Crore (Rupees Three Hundred Fifty Crore) on a private placement basis pursuant to the electronic bidding mechanism of BSE Ltd. The said NCDs are listed on "Wholesale Debt Market" segment of BSE Ltd.

### PARTICULARS OF REMUNERATION

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

Further, particulars of employees pursuant to Rule 5(2) & (3) of the above Rules, form part of this Report. However, in terms of provisions of Section 136 of the Act, Annual Report including Accounts for the Financial Year 2022-23 is being sent to all the Members of the Company and others entitled thereto, excluding the said particulars of employees. The said information is available for inspection at the Registered Office of the Company during business hours on working days of the Company upto the ensuing AGM. Any Member interested in obtaining such particulars may write to the Company Secretary.

### EXTRACT OF ANNUAL RETURN

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

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 of the Act, Shri Naveen Kumar Sharma (DIN: 08152305) retires by rotation at the ensuing Annual General Meeting of the Company (AGM) and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.



Shri Shrivats Singhania was designated as Director & CEO w.e.f. 31<sup>st</sup> January 2023 and also appointed as Key Managerial Personnel w.e.f. 31<sup>st</sup> January 2023.

The Members at the AGM held on 12<sup>th</sup> August 2022 had approved re-appointment of Amb. Bhaswati Mukherjee (DIN:07173244) and Shri Vinit Marwaha (DIN:00051403) as Independent Directors for their second term of Five consecutive years w.e.f. 24<sup>th</sup> January 2023 and 10<sup>th</sup> May 2023 respectively and Shri Surendra Malhotra (DIN:00271508) as Independent Director for his second term of three consecutive years w.e.f. 30<sup>th</sup> June 2023.

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

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

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

During the Financial Year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which could impact the going concern status of the Company and its future operations. Further, no application was made or no proceeding was pending as at the end of the year under the Insolvency and Bankruptcy Code, 2016.

#### **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

#### **CHANGE IN THE NATURE OF BUSINESS**

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

#### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Pursuant to Regulation 34(2) (f) of the Listing Regulations, the Business Responsibility and Sustainability Report of the Company for the Financial Year 2022-23 in the prescribed format, giving an overview of the initiatives taken by the Company for Environmental, Social & Governance perspective and

disclosures regarding the performance of the Company against nine principles of the 'National Guidelines on Responsible Business Conduct', is given in a separate section of the Annual Report and forms a part of it.

#### **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to the Listing Regulations, Management Discussion and Analysis and Corporate Governance Report along with Statutory Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of this Report as Annexure 'F' & 'G' respectively.

The Corporate Governance Report which forms part of this Report, inter alia, covers the following:

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

#### **COMPLIANCE OF SECRETARIAL STANDARDS**

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) such accounting policies have been selected and



applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and

- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

Your Directors wish to thank all the stakeholders, statutory bodies and departments of the State and Central Government and Bankers, Suppliers, Customers and all employees for their valuable support to the Company.

Your Directors record their appreciation for the dedication and hard work put in by 'Team-UCWL', which has enabled the Company to continue to grow stronger in these challenging times. Last but not the least, the Directors also wish to place on record their sincere gratitude towards JK Lakshmi Cement Limited, our Holding Company for all the financial, technical, marketing and operational assistance extended by it.

On behalf of the Board of Directors

Place: New Delhi  
Date: 11<sup>th</sup> May 2023

**Vinita Singhania**  
Chairperson



## ANNEXUE 'A' TO THE BOARD'S REPORT

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2023.

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

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

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

During the year, the Policy was amended to align with the changes notified by Ministry of Corporate Affairs vide its Notification dated 20<sup>th</sup> September 2022 with respect to implementation of CSR activities.

The CSR policy of the Company strongly reflects the commitment towards inclusive growth and development. The vision of the Company's CSR is “to strengthen community relationship and to bring sustainable change in quality of life of neighborhood community through innovative solutions in Education, Health, Livelihoods and Community Development”.

The major CSR thrust areas of the Company are Health; Water & Sanitation; Education; Skill development and Livelihoods; Environment sustainability and Rural development.

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

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Smt. Vinita Singhania	Chairperson/Non-Executive Director	2	2
2	Shri Shrivats Singhania	Director & CEO / Executive Director	2	2
3	Shri Vinit Marwaha	Independent Director/ Non-Executive Director	2	2
4	Shri Naveen Kumar Sharma	Whole-time Director/ Executive Director	2	2

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

Composition of CSR Committee: <https://bit.ly/3xu2hJl>

CSR Policy & CSR Projects: <https://udaipurcement.com/wp-content/uploads/2023/06/CSR-Policy-Projects-approved-by-the-Board-of-Directors-F.Y.-2023-24-2.pdf>

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable



5. (a) Average net profit of the company as per section 135(5) : ₹ **4,802.00 Lakh**  
 (b) Two percent of average net profit of the company as per section 135(5) : ₹ **96.04 Lakh**  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: **Nil**  
 (d) Amount required to be set off for the financial year, if any : **Nil**  
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ **96.04 Lakh**

**6. (a) Amount spent on CSR Projects (Both ongoing & Other than ongoing projects):**

During the reporting period the Company implemented ongoing projects such as UCWL Aarogya, UCWL Vidya, UCWL Aajivika, UCWL Kaushal Prarshikshan, UCWL Swajal & Swachhta and UCWL Gramin Vikas. A total amount of ₹ 93,51,044 (Rupees Ninety Three Lakh Fifty One Thousand Forty Four only) has been spent on these Ongoing Projects.

- (b) Amount spent in Administrative Overheads : ₹ **2,91,796**  
 (c) Amount spent on Impact Assessment, if applicable : **N.A.**  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ **96,42,840**  
 (e) CSR amount spent or unspent for the financial year : **N.A.**

Total Amount Spent for the Financial Year.	Amount Unspent (₹ in Lakh)				
	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
96.43	N.A.	N.A.	N.A.	N.A.	N.A.

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

Sl. No.	Particulars	Amount (In ₹)
(1)	(2)	(3)
I.	Two percent of average net profit of the company as per sub-section (5) of section 135	96.04
II.	Total amount spent for the Financial Year	96.42
III.	Excess amount spent for the Financial Year [(ii)-(i)]	0.38
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
V.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

**7. Details of Unspent CSR amount for the preceding three financial years: Nil**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) 135 (in ₹)	Balance Amount in Unspent csr Account under sub-section (6) 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be of section spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1				Nil			
2	FY-2				Nil			
3	FY-3				Nil			



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes  No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(2): **Not Applicable**

Sd/  
**Vinita Singhania**  
(Chairperson, CSR Committee)

Sd/-  
**Shrivats Singhania**  
(Director & CEO)

Place: New Delhi

Date: 11<sup>th</sup> May 2023



## ANNEXURE 'B' TO THE BOARD'S REPORT

### Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis for the Financial Year ended 31<sup>st</sup> March 2023 are as follows:

Name of Related Party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, including Committee, if any	Transaction amount (₹ in Crore)
JK Lakshmi Cement Limited-Holding Company	Clinker Purchase, & others	June, 2013 ongoing	Purchase of Clinker/others at Arm's length price	N.A.*	<b>5.70</b>
JK Lakshmi Cement Limited-Holding Company	Purchase of Cement	June, 2018 ongoing	Purchase of Cement at Arm's length price	N.A.*	<b>261.93</b>
JK Lakshmi Cement Limited-Holding Company	Purchase of Petcoke/Coal etc.	June, 2018 ongoing	Purchase of Petcoke/Coal etc. at Arm's length price	N.A.*	<b>123.28</b>
JK Lakshmi Cement Limited-Holding Company	Sale of Cement & Others	August, 2018 onwards	Sale of Cement at Arm's length price	N.A.*	<b>571.88</b>
JK Lakshmi Cement Limited-Holding Company	Corporate Guarantee taken	Up to FY 2036-37	Corporate Guarantee given by Holding Company on behalf of the Company to the Lenders to secure the financial assistance granted to the Company in respect of its Expansion Project	26 <sup>th</sup> May, 2022 and 17 <sup>th</sup> August, 2022	<b>750.00</b>



Name of Related Party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, including committee, if any	Transaction amount (₹ in Crore)
JK Lakshmi Cement Limited-Holding Company	Loan taken	1 Year upto 01.01.2024	Interest rate of 8% p.a. Loan amount will be utilised for implementation of Company's ongoing Cement Expansion Project and the repayment of said Loan along with interest accrued and/or due thereon shall be adjusted against the Share Application money to be paid by JK Lakshmi Cement Ltd. as Promoter's Contribution against its right entitlement in the proposed Rights Issue of the Company	2 <sup>nd</sup> January, 2023	<b>85.40</b>

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

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

On behalf of the Board of Directors

Place: New Delhi  
Date: 11<sup>th</sup> May 2023

**Vinita Singhania**  
Chairperson



## ANNEXURE 'C' TO THE BOARD'S REPORT

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

### (A) Conservation of Energy

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

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

- ESP Inlet duct & Burner trolley modification for Kiln Burner replacement in short duration.
- In-house development of stand by cooler fan system for recuperation zone in Clinker Cooler.
- Fresh Air Damper sealing modification to reduce false air ingress.
- Design of operational philosophy for various units of the plant to maximize use of solar power generation.
- Reduction in False air ingress in Raw mill Fan resulting into power saving.
- Optimization of compressed air pressure and re-routing of lines in various sections of the plant resulting into power saving.

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

- Installation of Industry's first 1 MW Captive Floating Solar Power Plant to meet the power requirement in the Captive Mines.
- Sourcing Solar Power to fulfill more than 16% of the total power required for the plant operations.
- Overall Share of Renewable Energy constitutes more than 48% in the total power consumed during the year.
- In-House modification in old storage tank to make the same suitable for storage of Liquid AFR and development of testing facilities resulting into increase in Liquid AFR co-processing.

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

Sr. No.	Particulars/Equipment Names	Investment Amount (₹ in Lakh)	Saving/year (₹ in Lakh)
1.	PH Cyclone 1A & 1B Modification.	30	70
2.	Cement Mill 1 & 2 Reject material belt replaced by closed air slide.	14.6	12
3.	In raw mill replacement of rotor blades with modified angles resulting into reduction in raw mill residue & conservation of power.	10	17

### (B) Technology absorption

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

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

Some of the technological innovations implemented are as under:

- AI based process optimization system (Adaptive predictive Controller) in Mills.
- PID Automation implemented in the Coal Firing to Kiln burner.
- Installation of Variable Frequency Drive in the Kiln Feed Silo Bin Discharge Aeration Blower.
- RABH Purging Sequence Shifted to DCS for proper optimization of Differential pressure, Hence reduction in power consumption of baghouse fan.
- Installation of IOT Sensors in Cooler Fans, VRM Fan, RABH Fan, Pre Heater Fan & Root Blower.
- In-House Development of bulk cement loading in containers.



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

- In-house Designed & installed Standby Girth Gear Lubrication System for Kiln.
- Cement Mill 1 & 2 Intermediate Diaphragm Scoop Opening adjusted to power improve grinding to mill (Power saving: 0.2 Kwh/mt)
- In-house Installation and Commissioning of BCM Feed Belt Weighing System
- Inhouse creation of feeder for BC4 Coal feeding hopper for protection of long belt & continuous feeding of coal via tipper

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

- a. The details of Technology Imported
- Kiln Shell Scanner critical spares.
  - XRF Spectrometer X-Ray Tube.
  - Installed at online scanning system on OLBC for analysis of any defect/change in steel cord of belt including condition of splice joints
  - Sino walk Cooler & Pfister Spare
  - Process Optimization Software

- OLBC Belt scanner installation
- Kiln Burner: Imported.

b. The Year of Import: -

Particulars	Year of Import
OLBC online belt scanning device	2022-23
Sino walk Cooler	2022-23
CAAQMS for ambient air quality	2022-23
MAAG Gear box spares.	2022-23
AQC Boiler superheater tubes.	2022-23

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

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

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

Sr.	Particulars No.	Amount ₹ in Lakhs
1.	Foreign Exchange Earned	-
2.	Foreign Exchange Used (CIF value of Imports of Fuel, Stores & Spares, etc.)	7,801

On behalf of the Board of Directors

**Vinita Singhania**  
Chairperson

Place: New Delhi  
Date: 11<sup>th</sup> May 2023



## ANNEXURE 'D' TO THE BOARD'S REPORT

### Form - MR 3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 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,  
**Udaipur Cement Works Limited,**  
Shripati Nagar, Dabok, P.O. CFA,  
Udaipur-313022 (Rajasthan)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Udaipur Cement Works Limited (L26943RJ1993PLC007267) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (During the period under review not applicable to the Company).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- (Not applicable to the Company during the Audit Period),
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- (Not applicable to the Company during the Audit Period); and
- (vi) Management has identified and confirmed the following laws as being specifically applicable to the Company and complied with:-
  - (a) Mines and Mineral (Regulation and Development) Act, 1957 read with Mineral Conservation and Development Rules, 1988
  - (b) Mines Act, 1952 read with Mines Rules, 1955
  - (c) Cement Cess Rules, 1993 and
  - (d) Bureau of Indian Standards Act, 2016 and Cement (Quality Control) Order made thereunder

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

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



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

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act and the SEBI Regulations. Change in designation of the Executive Director as 'Director and Chief Executive Officer' is subject to Shareholders' approval at the ensuing Annual General Meeting.

Adequate Notices are given to all directors in advance to schedule the Board/Committee Meetings. Agenda and detailed notes on agenda were also sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

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

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

**I further report that,** during the audit period, no major events have taken place, except the following–

The Company issued Secured, Listed, Rated, Guaranteed Non Convertible Debentures (NCDs) of ₹ 350 crores on Private Placement basis and redeemed the existing unlisted NCDs of ₹ 350 crores.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi  
Date: 8<sup>th</sup> May, 2023  
UDIN: F000234E000267435

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



## ANNEXURE 'E' TO THE BOARD'S REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the FY 2022-23 ended 31<sup>st</sup> March 2023 :

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

Non-Executive Directors: Smt. Vinita Singhania, 0.62; Shri Onkar Nath Rai, 0.47; Shri Vinit Marwaha, 0.63; Shri Surendra Malhotra, 0.37, and Amb. Bhaswati Mukherjee, 0.22.

Executive Directors: Shri Shrivats Singhania, 49.34 and Shri Naveen Sharma, 26.83

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

(i) Smt. Vinita Singhania, Chairperson, 27% ; (ii) Shri Shrivats Singhania, Director & CEO, 40%; (iii) Shri Naveen Kumar Sharma, WTD, 15%; (iv) Shri Onkar Nath Rai (5%); (v) Shri Vinit Marwaha (5%); (vi) Shri Surendra Malhotra (26%) and (vii) Amb. Bhaswati Mukherjee, 0%; (viii) Shri Pranav Chitre, CFO, 13% and (ix) Ms. Poonam Singh, Company Secretary, 12%.

**C. The percentage increase in the median remuneration of employees is 27.49%.**

**D. The number of permanent employees on the rolls of Company - 340.**

**E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

During the Financial Year 2022-23 on an average employee received an annual increment of 11.92% with individual increment varying from 4.13% to 32.21%.

Further, there was an increase of 30.10% in managerial remuneration during the current year.

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

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

We affirm that the remuneration paid during the Financial Year 2022-23 is as per the Nomination and Remuneration policy of the Company.

On behalf of the Board of Directors

Place: New Delhi  
Date: 11<sup>th</sup> May 2023

**Vinita Singhania**  
Chairperson



# ANNEXURE 'F' TO THE BOARD'S REPORT

## MANAGEMENT DISCUSSION AND ANALYSIS

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

The Fiscal 2022-23 began when global uncertainties were already rife. Whilst the pandemic was just receding the Russia-Ukraine war broke out in February 2022, which led to a sharp rise in the prices of food, fuel, and fertiliser and they remained at elevated levels for several months together. The risk of another round of supply chain disruptions emerged, but they were not as severe as feared. Nonetheless, both the price and the availability of essential commodities had the potential to dent the industry's optimism on consolidating the recovery of FY22 and further accelerating it. Despite all the above challenges, it is fair to say that the Indian Economy recovered well and staged a broad-based come back across sectors to get back to the pre-pandemic growth path in FY23. Overall, Gross Value Added (GVA) by the Industrial Sector, based on data available for the first half of the FY23, rose 3.7%, which is higher than the average growth of 2.8% achieved in H1 of the last decade. While India's retail inflation rate peaked at 7.8% in April 2022, above the RBI's upper tolerance limit of 6%, the overshoot of inflation above the upper end of the target range in India was however one of the lowest in the world.

With high allocation under the Union Budget 2022-23 for infrastructure, affordable housing government schemes such as MGNREGA, PM Garib Kalyan Rozgar Abhiyan and Road & Railway projects to fuel the economy, the domestic cement industry poised for a volume surge and boost the demand for cement. Under the housing for all segment, 8 million households were identified under Pradhan Mantri Awas Yojana (PMAY), both rural & urban and ~ ₹ 48,000 Crores was allocated for the purpose. The Government also approved an outlay of ~ ₹ 199,107 Crore for the Ministry of Road Transport and Highways and this step is likely to boost the demand for cement. In the FY 23, Indian Government built 5.28 million houses under the flagship rural housing scheme which was 25% higher than the houses built in the FY 22 and has proposed to build 5.73 million houses by FY 24, to achieve the target to build 29.5 million houses under PMAY.

India's cement production and consumption both grew by ~ 9% in FY23 on a y-o-y basis, driven by the Government's push for infrastructure development and increased real estate activity. EBITDA margins of cement players declined by almost 10% y-o-y in H1 FY 23 mostly due to an increase in power and fuel cost on the back of a sharp surge in coal prices. Limestone prices also escalated during H1 FY 23. There has been a 3% y-o-y increase on an average in wholesale cement prices in FY 23. While the prices have remained flattish in Q3, Q4 witnessed a further marginal decline in prices. As projected, industry is likely to add 30-35 Million Tonnes of capacity in FY23 reaching 590-595 Million Tonnes of Pan India cement capacity. Lower double-digit demand should see a rise in capacity utilisation by about 2% to ~ 66% level.

Industry is likely to see ~9% to ~10% y-o-y volume growth in FY 23, supported by sustained demand from infrastructure projects and recovery in individual housing demand. Long term growth expectations to be in the range of ~7% to 8% mainly based on higher projected growth coming from these two segments. The current global uncertainty and fear of global recession due to prolonged Russia-Ukraine war is likely to cast its shadow in the construction sector further. The industry which is already grappling with the impact of phenomenal rise in fuel and transportation costs would find it difficult to pass on the cost increase to the market when the offtake is low.

Key energy items like Pet coke/ Coal were marginally down, but owing to the higher cost inventory, benefits are unlikely to percolate fully. Additionally, after a gap of two years, busy season surcharge (@ 15%) was reintroduced by railways from October-22, which has impacted the freight costs. Diesel price trend has been sideways in past few months and is a relief. Due to divergent and volatile trends in major cost items, individual companies' costs are likely to be influenced by inventory levels and rail mix of each company. Further, the acquisition by large cement players and competitive posture has brought some turbulence in the market. In an uncertain environment, most manufacturers have been focussing more on volumes than on prices to mitigate high costs. Industry is attempting to close the gap between billing and transactional prices for better transparency and working capital utilisation with the channel.

Going forward, while FY24 appears to be a year full of opportunities as well as uncertainties and challenges; however, we remain optimistic for the outlook for the cement sector which according to us would firmly remain in long-term trajectory of sustainable annual growth ranging from 6% to 8%. As per CRISIL Ratings, the Indian cement industry is likely to add ~80 Million Tonnes (MT) capacity by FY24, the highest since the last 10 years, driven by increasing spending



on housing and infrastructure activities. Overall, the Outlook for the cement industry is very positive. The increasing demand for infrastructure and green construction materials will help to drive significant growth in the coming years.

### FINANCIAL PERFORMANCE

During the Financial Year 2022-23, the Company's Cement Production was higher by 13% at 14.69 Lakh Tonnes as against 13.05 Lakh Tonnes achieved during the last Financial Year. The Company's sales during the Financial Year ended 31<sup>st</sup> March 2023 were up by 4% at 20.35 Lakh Tonnes against 19.49 Lakh Tonnes logged in the last Financial Year.

The Turnover of the Company during the Financial Year 2022-23 increased by 18% from ₹ 875.98 Crores in Financial Year 2021-22 to ₹ 1,030.97 Crores in Financial Year 2022-23. Despite the tremendous pressure of rising inputs and fuel your Company achieved an PBIDT margin of 13% against 17% achieved during last Financial Year.

### KEY CHANGES IN FINANCIAL INDICATORS

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

Sl. No.	Particulars	Unit of Measurements	2022-23	2021-22
1	Operation Profit Margin	%	13%	17%
2	Net Profit Margin	%	3%	6%
3	Return on Net Worth	%	11%	18%
4	Current Ratio	Times	0.50	0.76
5	Interest Coverage Ratio	Times	2.84	3.06
6	Debt Service Coverage Ratio	Times	1.35	1.75
7	Debt Equity Ratio	Times	3.31	3.20
8	Net Debt Equity Ratio	Times	3.30	2.10
9	Debtors Turnover	Times	281	423
10	Inventory Turnover	Times	9	12

### OPPORTUNITIES AND THREATS

For the past 3 years there have been significant behavioural changes in the life and work style of individuals and organizations as well many of these are perhaps permanent. Such changes are both opportunities and threats for the Industry. Companies are giving weightage to Work from Home and this trend has been seen increasingly being adopted across various sectors in the industry. Video meetings still remain a cost effective way of conducting meeting where physical travel is not absolutely necessary. These changes have come mainly due to impact of COVID, Russia-Ukraine war situation and global increase in fuel and input material costs. That being said, the truth remains that India shall continue to sail better than most countries. On a positive, with the upcoming general elections in 2024, there is a strong anticipation of uptick in pre-election construction and a surge is expected in demand post FY22-23.

### RISKS AND CONCERNS

The COVID-19 pandemic which started 3 years ago and the war situation in Europe since early 2022 has impacted the Socio-Economic and Financial fabric of the economy, both at macro as well as at micro level. Resources got dried up in combatting the pandemic and sustaining rather than in growth. We saw the IMF (International Monetary Fund), World Bank Group, World Health Organization and World Trade Organization coming together to accelerate access to COVID-19 vaccines, therapeutics and diagnostics by leveraging multilateral finance and trade solutions, particularly for low and middle-income countries with the aim to vaccinate the major portion of the population. Now post pandemic and circa war times, the global economy is bearing the risk of recession. However the silver lining seems to be that, India would far better than most countries. Talking about our own industry, a lingering concern remains viz., High GST Slab



of 28%. The Industry has already made several representations to the government in the past for reduction in the GST rates on Cement from 28% to 18%. In the backdrop of the slowdown of the Economy, the Industry is ever hopeful that the government will reduce the GST rate of Cement which will help it to come out of this current difficult phase.

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

Internal Control Systems are the foundation for ensuring achievement of organisation's objectives of operational efficiencies, reliable financial reporting and compliance with laws, regulations & policies. The Company has laid down strong internal control systems in line with the size, complexity and geographical spread of its business. These Internal Control Systems ensure that the assets & interests of the Company are well protected. These Internal Control Systems are reviewed regularly by the Management and also by the Internal Auditors of the Company and are found to be effective and adequate. The Company has an in-house Internal Audit Department which carries out the Internal Audit based on a Systematic Audit Plan covering all key functions and aspects of the business. The internal audit reports, are reviewed by the Top Management and are placed before the Audit Committee of Directors.

The Audit Committee undertakes a total review of the audit observations and also the action taken by the Management on all the findings of the Internal Auditors. The implementation of the recommendations of the Internal Auditors is regularly reviewed and monitored by the Senior Management and the Action Taken Report is placed periodically before the Audit Committee. The Company also has an Internal Risk Management Committee comprising of Functional Heads. This Committee meets on a quarterly basis to evaluate the risk as also the mitigation plan put in place to minimise the impact of various internal and external risks to the Company's business. In addition, there is a Risk Management Committee at board level to review the various risks which impact the Company's operations and the management plan to meet those risks. The Company also has a robust MIS system and budgetary control system under which the operating and financial performances are reviewed on a monthly basis. The variations with the budget are analysed and corrective actions are taken to minimise the variations with the budget wherever shortfalls are noticed. Further, the Company has also put in place Legal Compliance Monitoring Tool to ensure timely compliance of all the applicable status at its different locations.

### **HUMAN CAPITAL MANAGEMENT**

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

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

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

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



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

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

### ENVIRONMENT, HEALTH AND SAFETY

We at UCWL are relentlessly focused on product quality, customer satisfaction, resource efficiency, environmental responsibility, and sustainable innovation. This has helped us to push the boundaries and tap the immense potential for development in the infrastructure and construction sectors in the country. The Company has an integrated Cement Manufacturing unit with an installed cement production capacity of 2.2 Million Tonnes per annum (MTPA). The Company has ingrained "Sustainable Development" as one of the key ethos, of its daily business activity, led by the Integrated Sustainable Development Policy for its System structures. The working principles of the Company have been aligned to contribute to the nation's commitment to meet the United Nations - Sustainable Development Goals (UN-SDGs). The Company upholds the highest levels of system standards such as ISO Certification for Environment (14001), Occupational Health and Safety (45001), Energy (50001), and Quality Management (15001) Systems. Going beyond the general industry practice, the Company has also inventoried its carbon and water footprint as per ISO 14064 -1 and ISO 14046. In line with the agenda of Climate change and the COP26 commitments made by the nation, today the Company consistently meets more than 48% of its total electricity requirement from the green renewable sources, i.e., Solar and WHRS. During FY 2021-22, the Company had already ramped up its solar power generation capacity by 4.35 MW, in addition to the existing 10.1 MW. A further addition of 1 MW floating solar was made in FY22-23 which totals it to 15.45 MW. In reference to ESG the unit has also registered with SBTi and UNGC. The Company has consumed about **63654 MWh of green energy (Solar + WHRS)** that has **mitigated around 51560 Tonnes of CO2 Emissions** in last **FY:2022-23**. Being a resource-responsible entity, our Company has done considerable work in water conservation and stands around **3.6 times water positive** and has saved about **4.11 lakh Metric Tonnes of virgin-natural resources** by replacing them with waste-derived raw materials in the process.

Environment, Health and Safety for your Company have been one of the key fundamental pillars of its business operations and growth. The Company is committed to maintaining cleaner production with a low carbon footprint by working beyond compliances. Initiatives like utilization of Green power, i.e. Solar and Waste Heat Recovery System to the tune of more than 48% in the total power mix, installation of state of art pollution control equipment, strategic development of greenbelt and plantation, use of waste-derived materials in place of virgin natural materials, etc. are testimony of its adherence to conservation and management of environmental resources. The safety and well-being of its workforce and nearby community is topmost priority for the Company. Your Company operates on the principle that "Safety is everyone's responsibility and we must not bypass it under any circumstances". Adhering to strict COVID standards, our workplaces are sanitized and COVID 19 appropriate behaviour is maintained as per the guidelines of local government. The Company is ISO 45001:2018 Certified for Occupational Health and Safety standards and has been recognized for maintaining one of the industry best Health and Safety training modules and practices at different renowned platforms.

### CAUTIONARY STATEMENT

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

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



## ANNEXURE 'G' TO THE BOARD'S REPORT

### CORPORATE GOVERNANCE REPORT

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

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

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

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

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

#### 2. BOARD OF DIRECTORS

As on 31<sup>st</sup> March 2023, the Board of Directors of the Company consists of Seven Directors comprising of two Executive Directors (ED) and five Non-executive Directors (NED) out of which four are Independent Directors (IND). Four Board Meetings were held during the Financial Year 2022-23 ended 31<sup>st</sup> March 2023, on 17<sup>th</sup> May 2022, 26<sup>th</sup> July 2022, 29<sup>th</sup> October 2022 and 31<sup>st</sup> January 2023. Attendance and other details of the Directors for the Financial Year ended 31<sup>st</sup> March 2023 are given below:

Name of the Directors	DIN	Category	No. of Board Meetings Attended	Whether last AGM attended (12.8.2022)	No. of other Directorships and Committee Memberships/ Chairmanships		
					Directorships *	Committee Memberships@	Committee Chairmanships@
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Smt. Vinita Singhania, Chairperson	00042983	NED	4	Yes	5	-	-
Shri Onkar Nath Rai	00033142	IND	4	Yes	-	-	-
Shri Surendra Malhotra	00271508	IND	3	Yes	7	3	2
Shri Shrivats Singhania	02359242	Executive**	4	Yes	1	-	-
Shri Vinit Marwaha	00051403	IND	4	Yes	4	1	-
Shri Naveen Kumar Sharma	08152305	Executive	4	Yes	-	-	-
Amb. Bhaswati Mukherjee	07173244	IND	4	No	3	4	2

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

\*\* Shri Shrivats Singhania was designated as Director & CEO w.e.f. 31<sup>st</sup> January 2023.

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



Details of other Listed companies where Directors of the Company are Directors and their category of directorship (as on 31<sup>st</sup> March 2023) are as under:

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

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

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

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

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

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

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

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

The Company has a Code of Conduct for Management Cadre Staff (including Executive Directors), which is strictly adhered to. In terms of the provisions of Regulation 17(5) of the Listing Regulations and contemporary practices of good Corporate Governance, a Code of Conduct was laid down by the Board for all the Board Members and



Senior Management of the Company. The said Code is available on the Company's Website ([www.udaipurcement.com](http://www.udaipurcement.com)). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Shri Naveen Kumar Sharma, Whole-time Director.

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

The number of Equity Shares of ₹ 4 each held by the Non-executive Directors as on 31<sup>st</sup> March 2023 are: Shri Onkar Nath Rai - 1 share, Smt. Vinita Singhania- 19,08,100 shares, Shri Vinit Marwaha, Shri Surendra Malhotra and Amb. Bhaswati Mukherjee does not hold any shares in the Company. The Company does not have any outstanding convertible instruments.

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

In accordance with the provisions of Schedule IV to the Act and Regulation 25 of the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 31<sup>st</sup> January 2023. Shri Surendra Malhotra was unanimously elected as Chairman of the Meeting and all the Independent Directors of the Company were present at the said Meeting.

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

In accordance with the provisions of Regulation 25 (7) of the Listing Regulations, the Company has been conducting various familiarization programmes. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company and the weblink is <https://bit.ly/3pZmV4C>

### **5. PERFORMANCE EVALUATION**

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

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

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

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

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

### **6. AUDIT COMMITTEE**

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

The Committee consists of four Directors, out of which three are Independent Directors (IND) and one is Executive Director (ED). Four Meetings of the



Audit Committee were held during the Financial Year ended 31<sup>st</sup> March 2023.

Dates of the Meetings and the number of Members attended:

Dates of Meetings	Number of Members attended
17 <sup>th</sup> May 2022	3
26 <sup>th</sup> July 2022	4
29 <sup>th</sup> October 2022	4
31 <sup>st</sup> January 2023	4

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

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman, IND	4
Shri Vinit Marwaha	IND	4
Shri Surendra Malhotra	IND	3
Shri Naveen Kumar Sharma	ED	4

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

## 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

Dates of the Meetings and the number of Members attended:

Date of Meeting	Number of Members attended
26 <sup>th</sup> July 2022	3
31 <sup>st</sup> January 2023	3

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

Name	Status	No. of Meetings attended
Shri Vinit Marwaha	Chairman, IND	2
Shri Onkar Nath Rai	IND	2
Shri Surendra Malhotra	IND	2

Ms. Poonam Singh, Company Secretary is the Compliance Officer who oversees the investors' grievances of shareholders, debenture-holders, including related to transfer/transmission of shares, non-receipt of Annual Report etc. During the Financial Year ended 31<sup>st</sup> March 2023, the Company received only 1 complaint from the Shareholders and the same have since been resolved to the satisfaction of Shareholders.

The Board of Directors has delegated the power of transmission of shares and related matters to 'Share Transfer Committee'. The share transmission and requests of other related matters are attended as required. All valid requests for transmission of shares in physical form and requests of other related matters were processed in time and there were no pending transmission of shares or other related matters. During the Financial Year ended 31<sup>st</sup> March 2023. Nine (9) Meetings of the Share Transfer Committee were held.

## 8. NOMINATION AND REMUNERATION COMMITTEE

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

Dates of the Meeting and the number of Members attended:

Date of Meeting	Number of Members attended
17 <sup>th</sup> May 2022	3
26 <sup>th</sup> July 2022	4
31 <sup>st</sup> January 2023	4



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

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman, IND	3
Smt. Vinita Singhania	NED	3
Shri Surendra Malhotra	IND	2
Shri Vinit Marwaha	IND	3

#### 9. NOMINATION AND REMUNERATION POLICY

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

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

appointee is an Independent Director, he/she should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations; (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of applicable Laws.

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



and long-term performance objectives appropriate to the working of the Company and its goals.

#### RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of Six Members, comprising of four Directors including one Independent Director (ID) and two Senior Executives (SE) of the Company. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Regulation 21 of the Listing Regulations, which broadly include: Formulation of Risk Management Policy (Policy) covering Identification of major internal and external risks, particularly, financial, operational, sectoral, sustainability (ESG related risks), information & cyber security risks, Business Continuity Plan and measures to monitor and reviewing risk management and mitigation plan of the Company; oversee implementation and review of the Policy; informing Board on the effectiveness of the risk management framework etc.

Date of the Meetings and the number of Members attended:

Dates of Meetings	Number of Members attended
16 <sup>th</sup> July 2022	6
11 <sup>th</sup> January 2023	6

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

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

\* w.e.f. 29<sup>th</sup> October 2022, Shri Vinit Marwaha was designated as Chairman of the Risk Management Committee (RMC) and Smt. Vinita Singhania continued as a Member of the RMC.

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

## 10. REMUNERATION PAID TO DIRECTORS

During the Financial Year 2022-23, the remuneration paid to Directors are given below:

### (i) Executive Directors

₹ In Crore

Sl. No.	Particulars of Remuneration	Shri Shrivats Singhania (Director & CEO)	Shri Naveen Kumar Sharma (Whole-time Director)	Sh. Pranav Chitre (Chief Financial Officer)
1	Salary	1.80	0.58	0.13
2	Perquisites, etc.	1.01	0.98	0.36
3.	Others (mainly contribution to Provident Fund)	0.22	0.09	0.01
	Total :	3.03	1.65	0.50

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



## (ii) Non-Executive Directors

During the Financial Year 2022-23, the Company paid sitting fees aggregating to ₹ 14.20 Lakh to all the Non-executive Directors (NEDs) for attending the Meetings of the Board and Committees of Directors of the Company. The Non-executive Directors did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

## 11. GENERAL BODY MEETINGS:

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

Year	Location	Date	Time
2019-20	Video Conferencing/Other Audio Visual Means	17 <sup>th</sup> August 2020	11.00 A.M.
2020-21	Video Conferencing/Other Audio Visual Means	19 <sup>th</sup> August 2021	12.00 Noon
2021-22	Video Conferencing/Other Audio Visual Means	12 <sup>th</sup> August 2022	11.00 A.M.

Details of Special Resolutions passed in the previous three AGMs: Special Resolution for: (1) Appointment of Shri Shrivats Singhania as an Executive Director (Business Development) for a period of five years w.e.f. 1<sup>st</sup> April 2020, was passed in the AGM held on 17<sup>th</sup> August 2020. (2) (a) Re-appointment of Shri Naveen Kumar Sharma (DIN No: 08152305) as Whole-time Director of the Company for a period of three years and (b) Approval and adoption of the new set of Articles of Association of the Company, were passed in the AGM held on 19<sup>th</sup> August 2021. (3) re-appointments of : Shri Surendra Malhotra as an Independent Director for a second term of 3 (three) consecutive years w.e.f. 30<sup>th</sup> June 2023, Amb. Bhaswati Mukherjee as an Independent Director for a period of five years w.e.f. 24<sup>th</sup> January 2023 & Shri Vinit Marwaha as an Independent Director for a period of five years, w.e.f. 10<sup>th</sup> May 2023 (b) Authorisation to the Board of Directors for borrowings upto an amount not exceeding ₹ 2,000 Crores and to create mortgage/charges on the properties of the Company in favour of the lenders upto an amount not exceeding ₹ 2,000 Crores were passed in the AGM held on 12<sup>th</sup> August 2022.

During the Financial Year 2022-23, no resolution was put through Postal Ballot. No Special Resolution passed last year through Postal Ballot. There is no immediate proposal for passing any Special Resolution through Postal Ballot.

## 12. DISCLOSURES

(a) **Related Party Transactions:** Disclosures on materially significant Related Party Transactions

that may have potential conflict with the interests of the Company at large: None.

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

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

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

(b) **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years:**

There were no cases of non-compliance of any matter related to capital markets during the last three years.

(c) **Vigil Mechanism/Whistle Blower Policy:** The Board of Directors of the Company at its Meeting held on 13<sup>th</sup> August 2014 had established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in



a sealed envelope marked confidential, for appropriate action. The details of establishment of such mechanism has been also disclosed on the website of the Company. During the year, no concerns or any fraud were reported. Further, it is affirmed that no personnel has been denied access to the Audit Committee.

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

During the year, there was no complaint filed with ICC and no complaint pending as on 31<sup>st</sup> March 2023.

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

Requisite details pursuant to SEBI Circular dated 15<sup>th</sup> November 2018: For the Financial Year 2022-23, Company's exposure in petcoke and coal was more than 10% of the total cost of production. Board of Directors considered Petcoke and Coal as 'Material' commodities for the purpose of disclosure as required under the aforesaid SEBI Circular.

- (i) Total exposure of the Company to commodities = ₹ 266.85 Crores  
(ii) Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
<b>Pet Coke</b>	190.25 Crores	0.87 Lakh MT	NIL	NIL	NIL	NIL	NIL
<b>Coal</b>	76.60 Crores	0.41 Lakh MT	NIL	NIL	NIL	NIL	NIL

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

- (e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** During the Financial Year ended 31<sup>st</sup> March 2023, the Company has not raised any funds through preferential Allotment or through Qualified Institutions Placement.
- (f) Certificate:** The Company has received a certificate dated 1<sup>st</sup> May 2023 from Shri Namo Narain Agarwal, Company Secretary in Practice (FCS No.234, CP No. 3331) that none of the Directors on the Board of Udaipur Cement Works Limited has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.



**(g) Credit Ratings**

During the year under review, CARE Ratings Ltd. & CRISIL Ratings Ltd. have reaffirmed the Credit Ratings to various facilities of the Company on Standalone basis as under:

Sl. No.	Facility	Rated Amount (₹ Crore)	Outstanding as on 31.3.2023 (₹ Crore)	Rating Agency	Rating Assigned
<b>A Long Term Bank Facilities</b>					
1	Long Term Bank facilities	566.28	495.98	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable)
2	Long Term Bank facilities	539.49	495.98	CRISIL Ratings Ltd.	CRISIL AA; Stable (Double A; Outlook Stable)
3	Long Term Bank facilities: Proposed Expansion	500.00	194.36	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable)
4	Long Term Bank facilities: Proposed Expansion	1100.00	194.36	CRISIL Ratings Ltd.	CRISIL AA; Stable (Double A; Outlook Stable)
<b>B Short Term Bank Facilities</b>					
1	Short Term Bank Facilities	20.00	-	CARE Ratings Ltd.	CARE A1(+) (A One Plus; Outlook Stable)
2	Short Term Bank Facilities	20.00	-	CRISIL Ratings Ltd.	CRISIL A1(+) (A One Plus; Outlook Stable)
<b>C Non-Convertible Debentures</b>					
		350.00	350.00	CARE Ratings Ltd.	CARE AA; Stable (Double A; Outlook Stable)

Dividend Distribution Policy: The Company has framed a Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations. The Policy has been posted on the website of the Company and the web-link for the same is <https://bit.ly/3Qpk2Co>

(i) There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the Financial Year ended 31<sup>st</sup> March 2023.

(j) **Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** Details regarding fees paid to the Statutory Auditors are given in Note No. 55 of the Financial Statements.

(k) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the

year along with their status as at the end of the Financial Year: Nil

(l) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Nil

(m) Disclosure by the Company of 'Loans and advances in the nature of loans to firm/companies in which Directors are interested by name and amount': Nil.

**13. MEANS OF COMMUNICATION**

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



www.udaipurcement.com. No Presentation was made to Institutional Investors or to the Analysts.

#### 14. GENERAL SHAREHOLDERS' INFORMATION

##### (i) Registered Office

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

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

(a) Date, Time and Venue: Please refer to Notice of the AGM.

(b) A brief resume and other particulars of Director seeking re-appointment at the aforesaid AGM is given in the Notice convening the said AGM.

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

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

###### Financial Reporting

<ul style="list-style-type: none"> <li>• for the quarter ending 30.06.2023</li> <li>• for the half-year ending 30.09.2023</li> <li>• for the quarter ending 31.12.2023</li> </ul>	Within 45 days of the end of the Quarter
<ul style="list-style-type: none"> <li>• for the year ending 31.03.2024 (Audited)</li> </ul>	Within 60 days of the end of the Financial Year
<ul style="list-style-type: none"> <li>• Annual General Meeting for the Financial Year ending 2023-24</li> </ul>	Between July to September 2024

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

##### (vi) Date of Book Closure: Refer AGM Notice.

##### (vii) Names and address of Stock Exchange where Equity Shares of the Company are listed: The Equity Shares of the Company (Face Value: ₹ 4 each) are listed on BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The Annual Listing Fee for the Financial Year 2023-24 has been paid to the aforesaid Stock Exchange.

The securities of the Company are not suspended from trading.

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

BSE – 530131, ISIN: INE225C01029

##### (ix) Debt Instruments

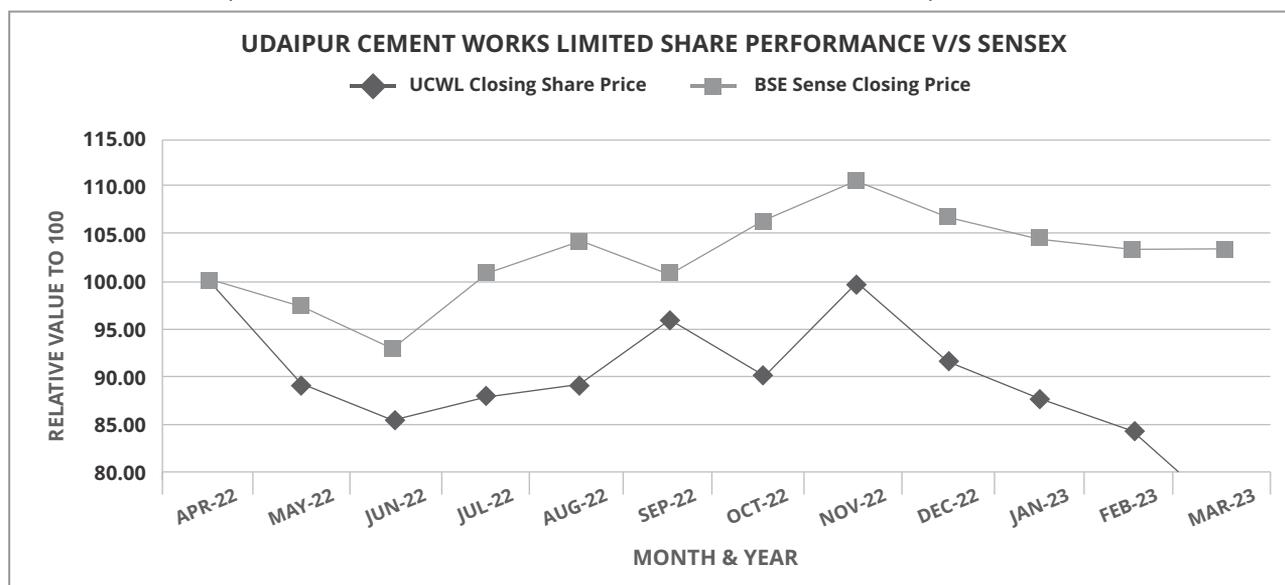
Non-convertible Debentures issued by the Company on a private placement basis bearing ISIN :INE225C07026 are listed on Wholesale Debt Market segment of BSE Ltd.



(x) Stock Market Price Data

Months (2022-23)	BSE Ltd. (₹)	
	HIGH	LOW
April 2022	41.10	29.15
May 2022	34.55	28.90
June 2022	32.60	25.50
July 2022	32.40	28.55
August 2022	31.75	29.45
September 2022	38.40	30.00
October 2022	33.80	30.05
November 2022	35.35	30.60
December 2022	35.35	28.70
January 2023	33.05	29.40
February 2023	32.25	28.60
March 2023	30.00	24.21

Udaipur Cement Works Ltd.'s Share Performance v/s BSE Sensex (April '22- March' 23)



(xi) Distribution of Shareholdings as on 31<sup>st</sup> March 2023

Category (No. of Shares)	No. of Equity Shares of ₹ 4/- each	%	No. of Shareholders	%
1-500	89,70,879	2.88	58,325	78.01
501-1000	64,85,722	2.08	7,642	10.22
1001-5000	1,65,98,758	5.34	6,940	9.28
5001-10000	82,09,668	2.63	1,061	1.42
10001 & above	27,11,44,790	87.07	794	1.07
<b>TOTAL</b>	<b>31,14,09,817</b>	<b>100.00</b>	<b>74,762</b>	<b>100.00</b>



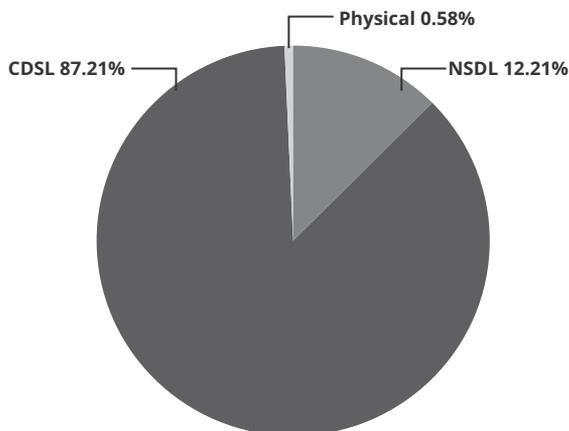
**(xii) Share Transfer System**

SEBI has mandated that securities of listed companies can be transferred/traded only in dematerialised form. Further, SEBI vide its circular dated 25<sup>th</sup> January, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition be also processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company i.e [www.udaipurcement.com](http://www.udaipurcement.com).

**(xiii) Dematerialisation of Shares and Liquidity:**

The Equity Shares of the Company are traded on BSE Ltd. Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their physical shares, with any one of the Depositories namely NSDL and CDSL. The ISIN for Equity Shares of the Company for both the Depositories is INE225C01029. As on 31<sup>st</sup> March 2023, 99.42% of the Equity Shares stand dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Particulars and rematerialisation etc. shall be made only to the Depository Participant (DP) of the Shareholders.

**Shares held in Physical/Demat Form (with NSDL & CDSL) as on 31<sup>st</sup> March 2023:**

**(i) Outstanding GDRs / ADRs / Warrants / Options or any Convertible instruments, conversion date and likely impact on Equity:**

As on 31<sup>st</sup> March 2023- NIL

**(ii) Commodity price risk or foreign Exchange risk and hedging activities:**

During the Financial Year ended 31<sup>st</sup> March 2023, the Company has managed the foreign exchange risk and hedged to the extent considered necessary through forward contracts.

**(iii) Plant Location:** Udaipur Cement Works Limited

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

**(iv) Address for correspondence regarding share transfers and related matters:****1. Udaipur Cement Works Limited**

Secretarial Department, Gulab Bhawan,  
3<sup>rd</sup> Floor (Rear Block) 6A,  
Bahadur Shah Zafar Marg, New Delhi - 110 002.  
Ph:(011) – 68201862  
Contact Person: Ms. Poonam Singh  
E-mail: [ucwl.investors@jkmil.com](mailto:ucwl.investors@jkmil.com)

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

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

**3. Debenture Trustee**

ISIN: INE225C07026  
**IDBI TRUSTESHIP SERVICES LTD,**  
Asian Building, Ground Floor, 17, R. Kamani Marg,  
Ballard Estate, Mumbai, Maharashtra-400001  
Phone: +022-40807000  
Contact Person: Mr. Ashish Naik  
E-mail: [ashishnaik@idbitrustee.com](mailto:ashishnaik@idbitrustee.com)

(v) This Corporate Governance Report of the Company for the Financial Year ended 31<sup>st</sup> March 2023 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.



(vi) Adoption of discretionary requirements specified in Part E of Schedule II to the Listing Regulations- (a) The Board: The Chairperson of the Company is Non-executive. (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website www.udaipurcement.com. At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company has had a regime of financial statements with unmodified opinion of Auditors; (d) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit Report to the Audit Committee on quarterly basis.

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

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

As on 1<sup>st</sup> April 2022, the Company had 6,51,169 Equity Shares, which were unclaimed by 240

Equity Shareholders. These were lying in dematerialized mode in the unclaimed suspense account. Out of the above the Company received 8 requests for 1900 Equity Shares for crediting to the Demat Account of the Shareholders/dispatch of physical Share Certificate on rematerialization, during the year. As on 31<sup>st</sup> March 2023, the Company has 6,47,069 Equity Shares which remain unclaimed by 224 Equity Shareholders. The voting rights on these shares shall remain frozen till the rightful owner of such Shares claims the shares. The "Unclaimed Suspense Account" is held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

**15. DECLARATION**

This is to confirm that for the Financial Year ended 31<sup>st</sup> March 2023, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

**Naveen Kumar Sharma**  
Whole-time Director



## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members,  
Udaipur Cement Works Limited**

1. The certificate is issued in accordance with the terms of our engagement with Udaipur Cement Works Limited (the Company)
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March 2023 as stipulated in regulation 17 to 27 and clauses(b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (the Listing Regulations).

### MANAGEMENT'S RESPONSIBILITY:

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

### AUDITOR'S RESPONSIBILITY:

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirement of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

### OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and there presentations provided by the Management ,we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Regulation 17 to 27 and clause(b) to (i) of Regulation 46(2) and Para C, D&E of schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March 2023.
9. We state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the Company.

### RESTRICTION ON USE

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

**For Bansilal Shah &Co**  
CharteredAccountants  
FRN: 000384W

Dhruv Shah, Partner  
M. No.: 223609  
UDIN: 23223609BGXUDE5449

Place: New Delhi  
Date: 11<sup>th</sup> May 2023



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26943RJ1993PLC007267
2.	Name of the Listed Entity	Udaipur Cement Works Limited.
3.	Year of Incorporation	1993
4.	Registered Office Address	Shripati Nagar, CFA, P.O. Dabok, Udaipur-313 022 (Rajasthan) Tele/Fax: 91-294-2655076-77
5.	Corporate Address	Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi-110002
6.	E-mail id	ucwl.investors@jkm.com
7.	Telephone	011-68201608
8.	Website	www.udaipurcement.com
9.	Financial Year for which reporting is being done	1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd.
11.	Paid-up Capital (INR)	₹124.56 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Shri Naveen Kumar Sharma E-mail: naveensharma@ucwl.jkm.com Contact: +91 0294 2655077
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis. The Company do not have any subsidiary company

## II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Cement manufacturing	Cement manufacturing & selling	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Cement and Clinker	2394	100%



### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	01 Integrated Plant	02	03
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	03 - Rajasthan, M.P & Gujarat
International (No. of Countries)	None

b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil

c. A brief on types of customers

- Trade customers- IHB- Individual home builders who built their home on a plot of land
- Non-Trade- Institutional customers -entities who buy cement from the Company for various housing and commercial / government projects

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	306	303	99	3	1
2.	Other than Permanent (E)	41	41	100	0	0
3.	<b>Total employees (D + E)</b>	347	344	99	3	1
<b>WORKERS</b>						
4.	Permanent (F)	34	34	100	0	0
5.	Other than Permanent (G)	697	692	99	5	1
6.	<b>Total workers (F + G)</b>	731	726	99	5	1

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	0	0	0	0	0
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F + G)</b>	0	0	0	0	0



19. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	7	2	28.57%
Key Management Personnel*	4	1	25%

\* Includes two Executive Directors

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	47	0	47	44	2	46	39	0	0
<b>Permanent Workers</b>	15	0	15	13	0	13	23	0	23

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	JK Lakshmi Cement Ltd.	Holding Company	Equity shares 72.54% 5% CRPS* - 100% 6% OCCRPS** - 100%	No

\* Cumulative Redeemable Preference Shares

\*\* Optionally Convertible Cumulative Redeemable Preference Shares.

**VI. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes  
(ii) Turnover (in ₹ Crores): 1,031  
(iii) Net worth (in ₹ Crores): 346



## VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number			Number		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes* www.udaipurcement.com	1	0	*	0	0	Nil
Employees and workers	Yes** www.udaipurcement.com	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes www.udaipurcement.com	8	Nil	Resolved	37	Nil	Resolved
Value Chain Partners	Yes** www.udaipurcement.com	Nil	Nil	Nil	Nil	Nil	Nil
Other-Local community	Yes www.udaipurcement.com	Nil	Regular connect with local communities through various need based CSR interventions.				

\* The Company has a dedicated Manager level employee who regularly keeps a track of the complaints received from shareholders and promptly responds (say 2 to 3 days) to the complainant to ensure that the complaint is resolved immediately to the satisfaction of the shareholder without any delay. All the complaints of shareholders received during a quarter, if any and actions taken thereon are placed before a Board Level Committee, constituted under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

\*\*Plant location has dedicated employee Grievance redressal mechanism with easy access upto worker level.

\*\* For value chain channel partners - email - ucwl.customercare@ucwl.jkmail.com



24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Economic Value & Business Performance	R	Poor business performance affects employee morale, productivity and innovation. It further hampers the reputation of the Company and implies reduced business opportunities for an enterprise, meaning lower dividends for shareholders and increased cost of capital	To be among the top five EBDITA player in the industry	Negative
2.	Customer Satisfaction	R	Lack of initiatives towards sustaining customer satisfaction hampers customer loyalty, leading to reduced market reputation and lower revenue from sales.	Company has key focus on the customer centricity and robust mechanism to resolve their grievances	Negative
3.	Integrity and Transparency	R	Unethical acts by an enterprise can bring about substantial reputational damage to a Company, hence affecting its future earnings besides regulatory penalties.	Policies in place.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Compliance to Regulation	R	Sanctions and financial penalties may be imposed on an enterprise by the regulatory authorities for acts of non-compliance.	Strong internal compliance system in place	Negative
5.	Human Capital Development	R	Lack of human capital development initiatives will lead to reduced employee productivity and poor turn-around time, leading to weak performance at the operational level. Also hampers Company's overall performance and progress towards its strategic targets, leading to decline in revenues.	Various initiatives	Negative
6.	Community Development	R	Lack of community development initiatives can bring about hostility and unrest among the local community, thus endangering the Company's social license to operate.	Community & stakeholders need based CSR initiatives and strong engagement	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Occupational Health and Safety	R	Insufficient investment towards ensuring occupational health and safety of employees has a direct negative impact on labour costs through lower productivity. Lower performance not only poses threat to a Company's reputation and staff morale, but also results in increased operating costs in the form of fines and other contingent liabilities.	Maintain Zero LTIFR	Negative
8.	Energy and Emissions	R	Having a poor track record in energy consumption and emissions management is likely to experience reduced trust from investors and stakeholders. The regulatory authorities may impose penalties on the company due to poor energy and emissions performance.	Increased usage of solar and other renewable source of energy.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Water Management	R	Lack of water management initiatives will lead to depletion of water resources in an area and impacting social and biodiversity value.	Various water stewardship project	Negative
10.	Resource Conservation	R	Poor resource management will have impact on Company's long lasting existence and performance, It will also lead to resource depletion.	Enhanced use of AFR and pro-active resource conservation initiatives	Negative
11.	Sustainable Supply chain partners	O	Build sustainable Supply chain and mitigate disruption and reputational risks	Focus on sustainable sourcing	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<p>The Code of Conduct for Board Members and Senior Management, and other relevant policies are available on the website of the Company <a href="https://udaipurcement.com/code-of-conduct/">https://udaipurcement.com/code-of-conduct/</a>  The weblink of ESG policies is below - <a href="https://udaipurcement.com/esg-policies/">https://udaipurcement.com/esg-policies/</a></p>								

\*\* The Policies have been signed by the Whole-time Director of the Company



Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your Entity and mapped to each principle.	<p>The policies are based on all the above prescribed principles. The key focus of these policies is to follow the spirit of national and international standards like ISO45001; UNGC Guidelines; GRI Standards; WBCSD and others wherever applicable.</p> <p>P1- Quality Management (ISO 9001:2015)</p> <p>P2- Quality Management (ISO 9001:2015) Energy Management (ISO50001:2018)</p> <p>HS- Occupational Health and Safety Management (ISO45001:2018) E - Environment Management (ISO14001:2015) NABL Lab (ISO/IEC 17025)</p> <p>PPC [IS 1489 (PART 2)]; Composite (IS 16415: 2015); Slag (IS 455: 2015); OPC (IS 269:2015)</p> <p>Green certification</p> <p>P3- Quality Management (ISO 9001:2015)</p> <p>Energy Management (ISO50001:2018) Occupational Health and Safety Management (ISO45001:2018)</p> <p>Environment Management (ISO14001:2015)</p> <p>P4- Quality Management (ISO 9001:2015)</p> <p>P5- Quality Management (ISO 9001:2015)</p> <p>P6- Energy Management (ISO50001:2018)</p> <p>HS- Occupational Health and Safety Management (ISO45001:2018)</p> <p>P7- Quality Management (ISO 9001:2015)</p> <p>P-8- Quality Management (ISO 9001:2015)</p> <p>Energy Management (ISO50001:2018) Occupational Health and Safety Management (ISO45001:2018)</p> <p>Environment Management (ISO14001:2015)</p> <p>P9- Quality Management (ISO 9001:2015)</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Goals and targets are set annually which are derived from Company Strategic Business Plan. Specific sustainability targets have been identified and the timelines for achieving carbon neutrality have been defined. All other specific targets – long term and short term are periodically reviewed and approved by management.</p>								



Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	For all identified KPIs , performance reviews are conducted on regular annual basis by the top management in Business Review Meetings.								

### Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.  Being a responsible cement manufacturing Company , we at UCWL are committed for the BRSR and ESG principles, inclusive growth and UN Sustainable Development Goals and other commitments of the nation. We are committed to continuously strive for improving our ESG performance by not only managing social and environmental negative impacts but also consciously creating positive externalities through our business operations.																			
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri Naveen Kumar Sharma Whole-time Director																		
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Pls. refer para 8 above																		
10. Details of Review of NGRBCs by the Company:																			
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other - please specify)									
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Performance against above policies and follow up action																			Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																			Quarterly
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
	1	2	3	4	5	6	7	8	9	Independent assessment not done yet as we have been in the process of policy formation, deployment and its dissemination. Will be planned at an appropriate time.									



12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: All the Principles are covered by policies. **Not Applicable**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

#### PRINCIPLE - 1

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topic/principles covered under the training and its impact	%age of persons in respective category covered by the awareness Programmes
Board of Directors	3	<ul style="list-style-type: none"> <li>- Updates on Sustainability initiatives including CSR initiatives undertaken at UCWL.</li> <li>- Updates on whistle blower mechanism, Whistle Blower Policy, Code of conduct of Directors and Senior Management. The Board members has been updated with the above and the underlying principles thereby adding values.</li> <li>- Plant Visit</li> </ul>	100%



Segment	Total number of training and awareness programmes held	Topic/principles covered under the training and its impact	%age of persons in respective category covered by the awareness Programmes
Key Managerial Personnel	4	Same as above	100%
Employees other than BOD and KMPs	13	Safety; Emergency; ISO Internal Audit (IMS& ENMS); Organizational Competencies	Safety - 80% Others - 20%
Workers	22	Productivity; Emergency Plan; Firefighting; Hazardous Material Handling; First Aid & Safety	91%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Nil

**Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? ( Yes/No)
Penalty/ Fine					
Settlement					
Compounding Fee					

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
<b>Not Applicable</b>	



4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an anti-bribery policy. We are committed to conduct our business ethically and in compliance with all applicable laws and regulations and other laws that prohibit unethical financial transactions and payments to obtain business advantage. The Company strictly prohibits bribery or other improper payments in any of its business operations. This prohibition applies to all business activities, anywhere in the world, whether they involve government officials or are wholly commercial.

<https://udaipurcement.com/code-of-conduct/>

<https://udaipurcement.com/wp-content/uploads/2023/05/anti-bribery-policy.pdf>

5. Number of Director/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Nil

#### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, we do have a process in place which is governed by the "policy on code of conduct for members of the Board and Senior Management" of Udaipur Cement Works Ltd. Web link to the same is :

<https://udaipurcement.com/code-of-conduct/>



## PRINCIPLE - 2

### Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year (2022-23)	Previous Financial Year (2021-22)	Details of improvements in environmental and social impacts
R&D	N.A.	N.A.	N.A.
Capex	₹ 6.07 Cr	₹ 22.30 Cr	The investment had been in solar energy; Waste Heat Recovery (WHR) & Pollution control equipment.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
Yes the entity has a sustainable sourcing policy in place.
  - If yes, what percentage of inputs were sourced sustainably? (Procurement)  
61% of input Raw Material sourced (i.e., Flyash/Gypsum except natural/Slag etc.), successfully eliminating the similar amount of requirement of virgin natural resource of raw material required for production of cement is attributable as industrial waste sustainable sourced materials.
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.  
We believe in "waste to wealth" and from the very beginning of the project, we adopt the "Reduce - Reuse - Recycle (3Rs)" principle.  
Plastic (Including packaging) "- UCWL as brand owner has applied for registration against EPR under PWM Rules 2016 & as amended. As per EPR guidelines, we have completed 25% target for FY 2021-22 and also, we have completed 70% target for FY 2022-23. The major product of UCWL is Cement, which is packed in cement bags. In most of the cases these bags are reused for construction purpose as well as for storing other items like grains, fodder etc. Plastic bags once discarded are also recycled by waste recyclers to make new bags. Furthermore, we have met our targets with the help of CPCB authorized recyclers as per the EPR guidelines.  
**E-waste:-** There is no E-waste generated from the manufacturing process. However, the only E-waste generated is from the office operations and whatever E-Waste generated is being stored at designated place & sold to the PCB registered recyclers.  
**Hazardous waste and other waste :-** During cement manufacturing, only used oil generated from operational machinery (hazardous waste). Used oil is stored at identified isolation locations within boundary which is sold to SPCB/CPCB authorized recyclers. Moreover, we are utilizing hazardous wastes as an alternative fuel and raw materials (AFR) in our cement manufacturing process, generated as waste/byproduct from other industries.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.  
Yes. Under Plastic Waste Management (PWM) Rules, Extended Producer Responsibility (EPR) is applicable to us. UCWL has already applied for registration for EPR under PWM Rules with CPCB online portal. We have submitted the action plan, which is in line with the EPR guideline, to concerned State Pollution Control Board and Central Pollution Control Board. As per EPR guidelines, we have completed 25% & 70% target for FY 2021-2022 & 2022-2023.



## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Nil

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk/concern	Action Taken
---------------------------	---------------------------------	--------------

Nil

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

Indicate input material	Recycled or Reused input material to total material	
	FY 2022-23	FY 2021-22
Chemical Gypsum	1.33%	2.31 %
Jarosite	0.62%	1.00%
Flyash	21.94%	22.8%
FF Slag	4.09%	2.93%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Re-cycled	Safely disposed	Re-used	Re-cycled	Safely disposed
Plastics (Including packaging)	0	1,342.815	0	0	600.000	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	12.716	0	0	24.486	0
Other waste (Battery)	0	0.540	0	0	0.680	0

### Note:

UCWL as brand owner manufacture Cement and Clinker where only PP bags are being used to pack cement product. We do not reclaim the same material used in our product packaging material but through CPCB authorized recyclers, we reclaim the plastic packaging materials as per the guidelines of Extended Producer Responsibility (EPR ). EPR is applicable to us. As per EPR guidelines, we have completed 25% & 70% target for FY 2021-22 & 2022-23



## 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Cat. II - Flexible Plastic	Plastic Bags used for Cement packaging - 600 MT (25% of total Plastic in FY 2021-22) 1,342.815 MT (70% of total Plastic in FY 2022-23)

**PRINCIPLE - 3**

**Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

## 1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	303	303	100	303	100	0	0	0	0	0	0
Female	3	3	100	3	100	3	100	0	0	0	0
<b>Total</b>	<b>306</b>	<b>306</b>	<b>100</b>	<b>306</b>	<b>100</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees</b>											
Male	42	42	100	42	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>42</b>	<b>42</b>	<b>100</b>	<b>42</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	34	34	100	34	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>34</b>	<b>34</b>	<b>100</b>	<b>34</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent workers</b>											
Male	570	570	100	570	100	0	0	0	0	0	0
Female	5	5	100	5	100	5	100	0	0	0	0
<b>Total</b>	<b>575</b>	<b>575</b>	<b>100</b>	<b>575</b>	<b>100</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	-	-	-	-	-	-
Others-please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company has a policy on diversity and inclusion and the actions are being taken.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company is committed to being an equal opportunity employer and ensure an inclusive workplace for all. The policy is being developed.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	Company policy and Union Meetings
Other than Permanent workers	Grievance Handling Mechanism
Permanent employees	As a part of our open and transparent culture, we follow open door policy. So every employee can share their concerns to their functional heads or leaders at any point in time.
Other than Permanent Employees	They can directly approach the respective HODs/In Charge and the same is addressed by the respective HODs/ In Charge.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total Employee-es/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	306	0	0	260	0	0
- Male	303	0	0	257	0	0
- Female	3	0	0	3	0	0
<b>Total Permanent Workers</b>	34	34	100	48	100	100
- Male	34	34	100	48	100	100
- Female	0	0	0	0	0	0



8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Male</b>	303	303	100	216	71	257	257	100	167	65
<b>Female</b>	3	3	100	3	100	3	3	100	3	100
<b>Total</b>	306	306	100	219	71	260	260	100	170	65
<b>Workers</b>										
<b>Male</b>	34	34	100	34	100	48	48	100	48	100
<b>Female</b>	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	34	34	100	34	100	48	48	100	48	100

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
<b>Male</b>	303	297	98	257	249	96
<b>Female</b>	3	3	100	3	3	100
<b>Total</b>	306	300	98	260	252	96
<b>Workers</b>						
<b>Male</b>	34	0	0	48	0	0
<b>Female</b>	0	0	0	0	0	0
<b>Total</b>	34	0	0	48	0	0

10. Health and safety management system:

- a. implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, occupational health & safety management system has been implemented in our entire plant. Our Company is ISO 45001:2018 certified by M/s Bureau Veritas for implementing Occupational Health and Safety Management System. We have trained & certified internal auditor team who conducts internal audit every six months and CAPA are being taken for the OFI identified during the audit, certification body conducts audit annually. Entire facility is covered in the scope of certification.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The following Processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity as below:

- HIRA (Hazard Identification & Risk Assessment)
- HAZOP Study (HAZARD & Operability study)
- JSA (Job Safety Analysis)



- Audits & Inspections
  - Unsafe Acts/condition reporting mobile app
  - Near miss Reporting.
- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, we have the following process of hazards reporting in our plant:

- UA/UC Mobile App: In our plant we use digital mobile based app for reporting hazards. Every employee having the access of the same. Observation shared by to any employee or safety department is logged through this app for taking action to implement the suggestion. The system takes care of implementation by triggering alert on weekly basis till completion of the job.
  - Safety Rounds: During safety round of CFT, any workmen may share any hazards which he/she noticed while working.
  - Meetings: During daily/weekly meeting, workmen may share any observations related to their safety or Unsafe Acts/condition.
  - Manual Hazard reporting format: For reporting of site hazards any workmen may use printed format & submit to safety office or shift office.
  - Daily TBT Session: During daily TBT Session every workman have the freedom for reporting hazards or observation.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all the employees including workmen have access to non-occupational & healthcare services in our plant. We have fully equipped Occupational Health Center in our township. Our OHC (Occupational Health Center) is opened for all staffs including workmen & their family members.

Our OHC having following facility:

- One well experienced & certified doctor & two nurses (Male & Female) always available.
- X-Ray, lab & ECG facility in our OHC.
- Separate wards for male & female.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0



12. Describe the measures taken by the entity to ensure a safe and healthy work place.

We have taken following measures to ensure safe & healthy workplace:

- i. Implemented safety management system in entire plant.
- ii. Implemented BBS system for positive safety culture.
- iii. Implemented PTW & LOTO system in entire plant.
- iv. Implemented Safety policy & cardinal rules in entire plant.
- v. Developed Fire & Safety manuals in local & English language for easily understanding.
- vi. Developed & displayed Safety sings & SOP for visual safety.
- vii. Provided Safety awareness training to all staffs including workmen about all safety standards / guidelines / BBS etc.
- viii. Tool Box Talk/Safety briefing is mandatory prior to job execution.
- ix. Machine guarding implemented in entire plant.
- x. Fire hydrant, smoke & flame detectors installed at all critical places.
- xi. Developed onsite emergency plant to meet out any emergency.
- xii. Installed safety devices like limit switches/sensors etc. in all lifting machines.
- xiii. Installed Railing & toe guard for falling protection.
- xiv. Installed ELCB/RCBO for electrical safety.

13. Number of Complaints on the following made by employees and workers

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No reportable accident/incident occurred in our plant although we took some initiatives to control significant risks:

- PTW (Permit to work) is mandatory for all jobs.
- HIRA (Hazard Identification & risk assessment) for all critical jobs which having significant risks is mandatory.
- Safety devices like IOT, Alarms, interlocking devices, pull cords, hooters, tripping system installed in critical equipment's.



- LOTOTO system implemented for electrical safety in entire plant.
- SOP/SMP should be displayed at shop floor for all critical activities.
- Installed separate DB's for 24 volt supply in confined space with green color coding to identify.
- Provided high heat resistance suits for working in high heat exposure area like cyclone jam cleaning, burner platform etc.
- Fire blankets, fire suits arranged at fire prone zones for fire safety.
- Developed & implemented safety standards/SOP for safely working.
- Developed trained first Aiders/fire fighters/Rescuers team to meet out emergency.

#### Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N)(B) Workers (Y/N)  
NO
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. N.A.
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)  
On need basis we keep retired employees as retainers to utilize their skills and experience.
5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	No, assessment were conducted during FY 2022-23. However, these considerations are standard terms of our contracts to maintain the best standard of health & safety practices.
Working Conditions	No assessment done during FY 2022-23. However, we are planning to conduct in near future.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. N.A.



## PRINCIPLE - 4

### Businesses should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has strong business commitment towards shared value creation for various stakeholders and have accordingly mapped its internal and external stakeholders. The Company interacts with its various stakeholders throughout the year to ensure sustainable and harmonious relations. The Company's internal stakeholders include employees, whereas external stakeholders include business partners/suppliers, customers, communities around business operations, society, competitors, shareholders/ investors, and the governments. Details are available in the Annual Report for the Financial Years 2019-20 to 2021-22 at the Company website: <https://udaipurcement.com/annual-reports/>

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others–please specific)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspapers, Meetings, Company Website, Stock Exchange, other Statutory Authority	Regularly through Company's Website and website of Stock Exchange, through Annual General Meetings	Disseminating and sharing of information with the shareholders with a view to update and also to seek their approval etc. as may be required.
Institutional Investors	No	Annual General Meetings Quarterly Meetings Website	Need based	ROI and ESG performance
Investors other than shareholders	No	Email, Newspaper, Company Website	Regularly	-
Employees & Workers	No	Email, Meetings, Communication from Top Management	Daily, Weekly, Monthly, Annually, Need Based	Employee well being, career development, grievance handling, industry scenario



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specific)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Feedback surveys, Customer needs, Social media, Campaigns, Customer meets	Need based-periodically	Complaints handling, product communications
Value Chain Partners	No	Meetings, phone calls, emails	Weekly, monthly, annually, need based	Customer relationship, product knowledge
Communities	Yes	Meetings, message	Daily, weekly, monthly, need based	Community development including health, water, education, sanitation etc.
Statutory Body	No	Interactions, industry forum meets, compliance report	Need based	Compliance, industry concerns, government expectations

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.  
Please refer to the stakeholder engagement section of Integrated Annual Report of Financial Year 2022-23.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.  
Please refer to the stakeholder engagement section of Integrated Annual Report of Financial Year 2022-23.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

UCWL consciously acts as a responsible corporate citizen and engages with the marginalized and vulnerable sections of the society. Our major engagement channels are with local communities and other stakeholders like masons, petty contractors, drivers benefitting through our CSR interventions. We engage with them frequently through need assessment and other participatory methods to understand their needs and impact of our interventions. We have also provided essential COVID 19 relief to our various stakeholders such as communities around our plant, masons, employees, workmen and business partners. Please refer to CSR report and Social & Relationship Capital section in the IR for further details.



## PRINCIPLE - 5

### Businesses should respect and promote human rights

#### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/workers Covered(B)	% (B/A)	Total (C)	No. of employees/workers Covered (D)	% (D/C)
<b>Employees</b>						
Permanent	306	0	0	260	0	0
Other Than Permanent	42	0	0	46	0	0
Total Employees	348	0	0	306	0	0
<b>Workers</b>						
Permanent	34	0	0	48	0	0
Other Than Permanent	697	0	0	565	0	0
Total Workers	731	0	0	613	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	306	-	-	269	100	260	-	-	260	100
Male	303	-	-	266	100	257	-	-	257	100
Female	3	-	-	3	100	3	-	-	3	100
<b>Other Than Permanent</b>	42	-	-	42	100	46	-	-	100	100
Male	42	-	-	42	100	46	-	-	46	100
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	34	-	-	34	100	48	-	-	48	100
Male	34	-	-	34	100	48	-	-	48	100
Female	-	-	-	-	-	-	-	-	-	-
<b>Other Than Permanent</b>	697	130	19	567	81	565	118	21	447	79
Male	692	130	19	562	81	560	120	21	442	79
Female	5	-	-	5	100	5	-	-	5	100



## 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (In ₹)	Number	Median remuneration/ salary/wages of respective category (In ₹)
Board of Directors (BoD)- Executive Directors (ED)	2	4,68,00,000	0	-
Board of Directors (BOD)- Non-Executive Directors (NED)	3	9,25,000	2	4,95,000
Key Managerial Personnel*	3	50,72,974	1	18,09,854
Employees other than BoD and KMP	266	8,10,000	3	6,21,600
Workers	34	4,35,480	-	-

\*includes two executive directors whose remuneration has been mentioned above

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) : Yes
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.  
We have grievance committee and harassment committee which addresses human rights issues.
6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human Rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.  
We have human rights policy in place to avoid such incidents. Also, we have education programs on harassment and code of conduct for all the employees at all the levels.
8. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**  
Yes, the same has been made a part of our agreements and contracts.



9. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour Forced/involuntary labour Sexual harassment Discrimination at workplace Wages Others - please specify	<b>NIL</b>

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

The Company ensures proper screening of potential suppliers and partners that there are no child labour and forced/ involuntary labour. Our contract with our value chain partners prohibit employment of child labour and forced/ involuntary labour. The Company strives to be a discrimination free Company and we do not allow discrimination & harassment based on religion, gender, cast disability, nationality, sexual orientation, race and age. In addition, we also expect all our value chain partners to uphold these principles and include guidelines on human rights in all our contracts.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No complaints so far. Hence not applicable.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company has internal control mechanisms to ensure human rights due-diligence. All external contracts contain strict guidelines on human rights issues and compliance is monitored constantly. No third party due diligence conducted for human right in the current financial year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is taking steps in this direction.

4. Details on assessment of value chain partners:

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable for the current year but the Company intend to undertake assessment of value chain partners in the coming years.



## PRINCIPLE - 6

### Businesses should respect and make efforts to protect and restore the environment

#### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (in GJ)	4,66,334	4,41,983
Total fuel consumption (B) (in GJ)	43,60,745	41,38,589
Energy consumption through other sources (C) (in GJ)		
<b>Total energy consumption (A+B+C) (in GJ)</b>	<b>48,27,079</b>	<b>45,80,572</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (in GJ/₹ turnover)	0.000468	0.000523
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

During the M&V audit under PAT scheme the data verification was carried out during the PAT cycle 5.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, Our UCWL plant was notified as DC on 1<sup>st</sup> April 2019 and we fall in PAT Cycle 5 & we have successfully reduced our specific energy consumption against the target notified for PAT Cycle 5 compliances and waiting for next cycle target notification.

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	4,45,070	3,21,202
(ii) Groundwater	88,805	59,600
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>5,33,884</b>	<b>3,80,802</b>
Total volume of water consumption (in kilolitres)	5,33,884	3,80,802
Water intensity per rupee of turnover (Water consumed/ turnover) (KL/₹ Turnover)	0.0000518	0.0000435
Water intensity (optional)-the relevant metric may be selected by the entity	-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Name of the external agencies are mentioned below

- National Productivity Council



4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Cement manufacturing is a dry process thus there is no direct utilization of water in the process. Water is only being used for industrial cooling purpose. And there is no wastewater generated from cement manufacturing process. UCWL is maintaining Zero Liquid Discharge Unit (ZLD) status. We have placed Sewage Treatment Plants (STPs) for domestic sewage and Effluent Treatment Plants (ETPs) for wastewater generated from automobile workshops. We recycled 100% treated water to maintain ZLD. Treated water is being reused in Dust suppression, Greenbelt development etc.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Tonne/year	2123.17	1979.00
SOx		31.98	20.00
VRM & Kiln- Particulate matter (PM)		35.55	36.30
COOLER STACK	Tonne/year	37.00	23.60
COAL MILL	Tonne/year	1.20	1.40
Cement Mill-1	Tonne/year	0.90	1.30
Cement Mill-2	Tonne/year	0.60	1.10
Cement Mill-3	Tonne/year	2.50	1.50
Persistent organic Pollutants (POP)	-	-	-
Volatile organic Compounds (VOC)	-	-	-
Hazardous air Pollutants (HAP)	-	-	-
Others-please specify	-	-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?(Y/N) If yes, name of the external agency.

Yes, Calibration validation of PM-CEMS by M/s Vimta Labs Ltd. Also stack monitoring of Di-oxin Furan and other heavy metals were carried out by M/s Vimta Labs Ltd.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Unit	FY 2022- 2023 (Financial Year)	FY 2021-2022 (Previous Financial Year)
<b>Total Scope 1</b> emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, Sf6, NF3, if available)	Metric tonnes of Co2 equivalent	11,82,658	11,17,220
<b>Total Scope 2</b> emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, Sf6, NF3, if available)	Metric tonnes of Co2 equivalent	55,540	53,798
<b>Total Scope 1 and Scope 2 emissions per rupee of Turnover</b>	Kg/₹ Turnover	0.1201	0.1337
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) - the relevant metric may be selected by the entity	-	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No



7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. In order to reduce our carbon footprint, UCWL have started using renewable energy source by setting up a solar power plant at their plant premises.

UCWL prefers to procure from suppliers who are proactive in reducing their environmental impacts and expects its suppliers to comply with relevant laws and regulations. UCWL has the right to exclude suppliers who do not exhibit the aforesaid measures. We buy local materials and try to minimize distance between source & project site to reduce transportation emission.

Under our Plantation Drive initiative, we distribute free plants and saplings every year not only to schools but also to the villages, police stations, and communities and distribute free Tree Guards for the plants. As we know that trees are the perfect solution to mitigate GHG emission.

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	4.240	9.50
E-waste (B)	-	-
Bio-medical waste (C)	0.068	0.089
Construction and demolition waste (D)	-	-
Battery waste (E)	0.540	0.680
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	Used Oil-12.716	Used Oil-24.486
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	MS Scrap-1398.94 Wood/rubber/ Tyre-55.18	MS Scrap-564.44 Wood/rubber/ Tyre-285.84
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1,471.68</b>	<b>885.03</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	1,471.61	885.03
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>1,471.61</b>	<b>885.03</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0.068	0.089
(ii) Landfilling	0	0
(iii) Other disposal operations	1,471.61	884.94
<b>Total</b>	<b>1,471.68</b>	<b>885.03</b>

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. External Agencies are GEM enviro & Mobi trash for PP bags recycle. Names of Other External Agencies are Bureau Veritas (India) Pvt. Ltd.



9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

As such there is no hazardous waste generation from cement manufacturing process other than Used Oil from machinery operation. During cement manufacturing, only used oil generated from operational machinery (hazardous waste). Used oil is stored at identified isolation locations in plant boundary which is sold to SPCB/CPCB authorized recyclers. Moreover, we are utilizing hazardous waste as an alternative fuel and raw materials (AFR) in our cement manufacturing process, generated as waste/byproduct from other industries.

UCWL always strives to utilize hazardous in our products with eco-friendly alternatives. We have also used alternative raw materials (Fly ash, Chemical gypsum, Granulated slag etc.) in cement production.

We believe in "waste to wealth" and from the very beginning of the project, we adopted the "Reduce -Reuse -Recycle" principle. Separate bins with labels are placed at dedicated points in the plant for waste collection and then according to the type of the waste, we will proceed for its reuse and recycling.

We have also implemented below Best Practices for Better Waste Management in our plant

Waste Name	Best Practice
Construction Waste/ Tested Cement Cubes	Utilization of lab tested cement cubes in making of paved road and landscape structures
Used oil	The used oil is being disposed through to sale to authorized recycler.
Discarded Single Use Plastic Bottles	Utilization of discarded single use plastic bottles in co-processing and plantation activities.
Paper Waste	Adopting paper less processes such as online issue voucher & PR system, Work permit system, Safety Audit etc. We reused paper waste in in-house developed vermicompost system.
Metal Waste	We sell the metal waste to the authorized recycler for recycling purpose.
Liquid Waste/Sewage/Wastewater	Our plant is ZERO LIQUID DISCHARGE UNIT. We collect and treat wastewater through Sewage Treatment Plants and then this treated water is being utilized in greenbelt development activities in our plant.
Co-processing	Utilization of Hazardous wastes such as waste Mix Liquid which are generated in other industries. So, by utilizing it, we are reducing the burden on the landfill.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	N.A.	N.A.	N.A.



11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

FY	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
2021-22	Expansion of Cement Plant (Clinker 2 MTPA to 5 MTPA & Cement 2.85 to 7 MTPA)	EIA Notification 2006	19.1.2021	Yes, M/s Enkay Enviro Pvt Limited	Yes	<a href="https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=33798&amp;proposal_no=IA/RJ/IND/184900/2007&amp;typep=EC">https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=33798&amp;proposal_no=IA/RJ/IND/184900/2007&amp;typep=EC</a>
2022-23	Expansion in Limestone Mine-1 ( 1.64 to 4.54 MTPA)	EIA Notification 2006	4.7.2022	Yes M/s Enkay Enviro Pvt Limited	Yes	<a href="https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=41799&amp;proposal_no=IA/RJ/MIN/260182/2021&amp;typep=EC">https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=41799&amp;proposal_no=IA/RJ/MIN/260182/2021&amp;typep=EC</a>
	Expansion in Limestone Mine-1 ( 1.54 to 3.9 MTPA)	EIA Notification 2006	4.7.2022	Yes M/s Enkay Enviro Pvt Limited	Yes	<a href="https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=49941&amp;proposal_no=IA/RJ/MIN/204635/2021&amp;typep=TOR">https://environmentclearance.nic.in/onlinesearchnewrk.aspx?autoid=49941&amp;proposal_no=IA/RJ/MIN/204635/2021&amp;typep=TOR</a>

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Complied with all applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

S. No.	Specify the law/ regulation/guidelines which was not complied with	Provide details of the non- compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	N.A.	N.A.	N.A.	N.A.



## Leadership Indicators

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A) (in GJ)	2,22,618	2,05,946
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	2,22,618	2,05,946
<b>From non-renewable sources</b>		
Total electricity consumption (D) (in GJ)	2,43,716	2,36,037
Total fuel consumption (E) (in GJ)	43,60,745	41,38,589
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)(in GJ)	46,04,461	43,74,626

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

During the M&V audit under PAT scheme the data verification was carried out during the PAT cycle 5 by M/s. PGS Energy Services for FY 2021-22 and also the CII Benchmarking study was conducted at UCWL in FY 2021-22

- Provide the following details related to water discharged

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment		
- With treatment – please specify level of Treatment		
(ii) To Groundwater	0	0
- No treatment		
- With treatment – please specify level of Treatment		
(iii) To Seawater	0	0
- No treatment		
- With treatment – please specify level of Treatment		
(iv) Sent to third-parties	0	0
- No treatment		
- With treatment – please specify level of Treatment		
(v) Others	0	0
- No treatment		
- With treatment – please specify level of Treatment		
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Unit is maintaining Zero Liquid Discharge. Hence not applicable.



## 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
Water intensity per rupee of turnover (Water consumed/turnover) (KL/₹ Turnover)	-	-
Water intensity (optional)- the relevant metric may be selected by the Entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	0	0
- No treatment		
- With treatment- please specify level of treatment		
(ii) Into Groundwater	0	0
- No treatment		
- With treatment-please specify level of treatment		
(iii) Into Seawater	0	0
- No treatment		
- With treatment-please specify level of treatment		
(iv) Sent to third-parties	0	0
- No treatment		
- With treatment-please specify level of treatment		
(v) Others	0	0
- No treatment		
- With treatment-please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	0	0

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.



4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	13,293	14,069
Total Scope 3 emissions per ₹ of turnover	Kg / ₹ turnover	0.0012894	0.0016061
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

**Remarks:** For FY 2023 under Scope 3 emissions we have considered CO2 emissions in upstream and downstream logistics operations and through employee commuting. However, for FY 2022 we have inventorised CO2 emission through upstream and downstream logistics operations.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

**Not applicable**

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Use of Energy Efficient Light – LED Lights	We have installed LED lights in all street of plant & Colony.	Reduction in GHG emissions.
2	Energy conservation measures	<ol style="list-style-type: none"> <li>1. Increased ventury to improve material flow from 4<sup>th</sup> cyclone to kiln i/l to improve kiln stability and production.</li> <li>2. VFD in CM-2 CA Fan</li> <li>3. VFD Installation in Air Slide blower of packing plant</li> <li>4. Replaced reciprocating compressor with screw compressor</li> <li>5. Installation of VFD in cm-3 bag filter</li> </ol>	<p>68,362 kwh thermal energy saving i.e (9.63 Lakhs)</p> <p>2,37,600 kwh saving</p> <p>56,000 kwh saving</p> <p>71,280 kwh saving</p> <p>4,00,752 kwh saving</p>
3	Installation of "Cooling Tower"	Reduction of fresh water consumption in process cooling.	Water Conservation



S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	All possible structures are covered with acrylic sheet	<p>"Noise and dust emission reduced":- All possible structures are covered with acrylic sheet</p> <p>a) Raw material unloading /loading and storage area is covered.</p> <p>b) All the transfer points are fully enclosed and are equipped with bag filter, wherever required.</p> <p>c) All conveyor belts are provided with the conveyor covers to reduce dust emission.</p>	To reduce noise and dust emission
5	Installation of grounded floating/ solar Power Plant	Solar power is pollution free and causes no greenhouse gases to be emitted after installation	Energy Conservation. Promote usage of renewable energy source.
6	Sewage Treatment Plant	Domestic purpose used water was collected through the pipeline and treated with STP Water treated from STP is used for the greenbelt development and gardening purpose	Fresh water conservation.
7	Rain water harvesting	The rain water collected in Mines pits and utilize accordingly also recharging ground water level through water harvesting structures.	Conserve natural resources.
8	Chemical Gypsum / Gypsum waste Consumption	More usage chemical gypsum in cement manufacturing.	Conserve natural resources & to reduce land pollution.
9	Greenbelt Development	We have developed more than 34% of greenbelt development.	Trees Combat Climate Change Trees help keep environment clean and provide oxygen.
10	Lowest Water Consumption	We installed at location flow control valve. Installed "DIGITAL WATER METERS" for day to day monitoring of water consumption in plant for carrying out the water audit in plant. Pipe lines laid over ground or just one meter under ground to identify water leakage easily.	To reduce Fresh Water requirements and conserve natural resources.
11	Use of Flyash Based AAC-Blocks & Bricks instead of Red mud Bricks	Flyash based AAC Blocks were used in building construction in place of Red Mud Bricks, which resulted in saving of natural virgin red mud resource.	Green Building Initiative and Reduce GHG emission
	Occupancy sensors and Transparent sheets	Occupancy Sensors and Transparent sheets have been provided in all Offices to switch off the Lights automatically when there is no one in the office.	Power Saving



<b>S. No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
12	Water Saving Green belt development activities	Drip Irrigation and Sprinkler System for watering plants to reduce the water consumption	Water Saving Initiative
13	Air Cooled Heat Exchanger	Replaced the Water Cool Heat Exchangers with Air Cooled Heat Exchangers to eliminate the use of water in the cooling process. By doing this we are reducing the consumption of water.	Water Saving Initiative
14	Paperless initiative	Adopting paperless processes such as online issue voucher & PR system, Work permit system, Safety Audit etc.	Waste Management initiative
15	Reuse of Construction waste	Utilization of lab tested cement cubes in making of paved roads and landscape structures.	Waste Management initiative
16	Environmental Heroes	Token of appreciation is given to the workers who have done outstanding work for the conservation of environment in the plant like water/power/solid waste management/ maintain greenery/cleanliness/plantation etc.	Sensitize employees and workers towards environment conservation
17	SNCR Installed to control the Nox emission from Kiln	Ammonia based SNCR system has installed at durg unit to control the Nox emission from kiln	After Installation of SNCR the Nox emission is in under the prescribed standard
18	Road Sweeping machine	1 No Mechanically Road sweeping machine is under operation to control the fugitive dust emission from plant premises.	Fugitive Dust Emission is in under limit
19	Solar power installed at plant premises.	It is a pollution free and causes no greenhouse gases to be emitted after installation	We are conserving Natural Resources through installation of Solar plant
20	Optimization of waste heat recovery system	Optimization of waste heat recovery system by installation of hot air recirculation to reduce heat consumption and CO2 emission and increase in power generation for Kiln	Reduction in heat consumption, Reduction in CO2 emission and increase in power generation
21	Increased utilization of Alternative Fuel	Increased utilization of Alternative Fuel in Kilns viz. TDI Tar, Paint Sludge, CETP Sludge, Plastic Waste, Biomass, RDF fluff, De-Oiled cake, etc.	Reduced consumption of Coal, Reduction in CO2 emission
22	Installation of PTFE Bags	Installed the most efficient pollution control devices i.e. PTFE glass fiber filter bags.	Reduction in Particulate Matter emission
23	Installation of CEMS	Installation of Online Continuous Emission Monitoring system.	Continuous monitoring of source Emission



S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
24	Installation of CAAQMS Stations	Installed Continuous Ambient Air quality monitoring station for monitoring of ambient air quality data are being communicated to PCB.	Continuous monitoring of Ambient Air Quality

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.  
Yes, we do have emergency prevention and preparedness plan in line with the State Factories Rules, and we conduct mock drill at regular interval. The Emergency plan contains information about preliminary hazard analysis, details of site, Emergency sites identified, Central control center (CCC), Incident control center (ICC), Handling of an emergency / disaster, List of certified trained first aider, location wise summary of firefighting equipment, specifications of firefighting equipment, location wise summary of fire detection and alarm system, Firefighting instructions, Building emergency evacuation plan, first aid measure for electrical shock / cardiac arrest, wound, fracture, burn, chemical burn, snake bite, dog bite, honey bee bite, choking, details of OHC paramedical staff and facilities and mutual aid agreement etc.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.  
Physical assessment of the value chain partners didn't take place. At the same time major supplier's contracts had provisions on the same. However, we are planning to do this in coming years.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.  
Not Applicable

## PRINCIPLE - 7

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.  
Four (04)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Udaipur Chamber of Commerce	State
2	The Rajasthan Solar Association	State
3	National Safety Council	National
4	Quality Circle Forum of India	National



2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
N.A.	N.A.	N.A.

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others- please specify)	Web Link, if available
1.	Renewable energy adoption, carbon emission reduction in cement industry	Seminars	N.A.	Opportunity base	-

## PRINCIPLE - 8

**Businesses should promote inclusive growth and equitable development.**

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
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**Not Applicable.** However, as a responsible corporate, we keep on assessing the impact of our CSR initiatives over target population. We also capture the case studies to assess the qualitative impact over the local communities.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

S. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families ( PAFs)	% of PAFs covered by R & R	Amount paid to PAFs in the FY ( In INR)
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**Not Applicable**



### 3. Describe the mechanisms to receive and redress grievances of the community.

The CSR team visits communities on day-to-day basis and meet various stakeholders including beneficiaries, panchayat representatives and others. The process of continuous engagement with the community is an ongoing process. The frequency of the engagement and interaction depends on nature of the stakeholder like project beneficiaries in local communities do happen on daily and weekly basis whereas that of panchayats and government line departments do happen on fortnightly and monthly basis. These day-to-day interactions help the CSR team to gather feedbacks and complaints if any. The feedbacks are used to improve and modify CSR projects. This system is an informal one and has helped to resolve issues and response to the demands of stakeholders to their satisfaction. The Company also undertakes materiality analysis on time-to-time basis as a part of its sustainability reporting initiatives. Based on this respective departments undertake engagement and activities to address materiality issues. Plants have a system of monthly review of all departments who have external stakeholders' interface.

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	The Company ensures to source all raw materials locally whichever feasible.	
Sourced directly from within the district and neighbouring districts	% AFR sourced directly from within the district and neighbouring district. (16% for FY 2022-23 and less than 5% for FY 2021-22) The Company is significantly sourcing PP Bags from the MSMEs. (89% for FY 2021-22 and 90% for FY 2022-23) of the total value of PP Bags).	

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
<b>Not Applicable.</b> though as a socially responsible corporate, we regularly communicate with Local communities and capture their needs & aspirations and plan out our CSR initiatives towards helping them.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company is implementing its CSR projects in Udaipur district of Rajasthan which is not an aspirational district.

S.No.	State	Aspirational District	Amount spent (In INR)
<b>Not Applicable</b>			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)  
No preferential policy  
(b) From which marginalized /vulnerable groups do you procure?  
Not Applicable  
(c) What percentage of total procurement (by value) does it constitute?  
Not Applicable



4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective action taken
Not Applicable		

#### 6. Details of beneficiaries of CSR Projects-

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	UCWL Aarogya Project	52827	More than 50%
2.	UCWL Vidya Project	2563	More than 50%
3.	UCWL Aajivika Project	4648	More than 50%
4.	UCWL Swajal & Swachhta Project	1753	More than 50%
5.	UCWL Gramin Vikas Project	8338	More than 50%
6.	UCWL Kaushal Prashikshan Project	50	More than 50%

## PRINCIPLE - 9

**Businesses should engage with and provide value to their consumers in a responsible manner**

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company aims for a "Customer centric" approach with various initiatives listed below

- "Toll Free" Helpline number for instant solutions to the queries of customers.
- Site Meets conducted by Technical Service cell
- Product Demonstration on sites by TSC
- Customer in Culture program by Cross functional Team for feedback
- Forms on digital media (Website) for addressing queries of potential customers.
- Customer Satisfaction Survey through external agency
- Face to face interaction with mason/ contractors for any feedback/ issues

Company has provided various platforms, involving a pre-defined escalation matrix, where Customer can share his grievances in following ways as find appropriate by him-



- Contacting through authorized dealer
- Customer care helpline
- Website
- E-mail

In addition to the above Company's technical services unit also responds to customer's queries and complaints

- Company is having its technical service unit comprising qualified civil engineers.
- Product related complaints are directly sent to Company's technical services unit.
- On receipt, Company officials visit the customer within 24 to 36 hours.
- They interact with Customer and understand the nature of complaint.
- They collect all needful information including Customer details, Complaint nature, Purchase date, application period, Construction methodology as adopted etc. to diagnose the causes.
- The demonstration of the quality check, where required, is also done. Customer is explained and assisted by way of explaining good construction practices including tips to make structure durable.
- The details of examination and demonstration is shared with the Customer.
- If needed, Cement testing is done either at own plant or NABL accredited third party lab.
- Test results of samples are communicated and shared with customer.

All the complaints are compiled in Feedback register & shared with Plant head & Quality Control head for needful at their end on monthly basis.

Further, Company also organizes programs, face to face interaction and circulates literatures to inform and educate the Consumers about safe and responsible usage /safe handling of the products to create awareness about different ways to adopt safe construction practices. correct application procedure & precautionary measures while handling / application of cement related items.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on all our products. Information on cement bags is governed as BIS.
Safe and responsible usage	
Recycling and /or safe disposal	



### 3. Number of consumer complaints in respect of the following

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No complaint received from Customers on data Cyber-Security	0	0	No complaint received from Customers on Cyber-Security
Advertising	0	0	No complaint received	0	0	No complaint received
Cyber-security	0	0	No complaint received from Customers on Cyber-Security.	0	0	No complaint received from Customers on Cyber-Security.
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	0	0	No complaint received	0	0	No complaint received
Unfair Trade Practices	0	0	No complaint received	0	0	No complaint received
Other	Nil	Nil	Nil	Nil	Nil	Nil

### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has a policy on Cyber Security and Data Privacy. Web link is below.

<https://udaipurcement.com/wp-content/uploads/2023/05/cyber-security.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

One incident for an attempt to breach IT system was recorded in year 2022-23. However, the attempt was neutralized before any damage. No data breach for personally identifiable information or any other types of information had happened during year 2022-23.

We have not received any complaint relating to advertising, product recalls or safety of products. Since there



were no complaints there was no need of any corrective action. However, we always strive to ensure that best quality products are delivered to our customers and we ensure all feedback from our stakeholders is considered in our business processes.

### Leadership Indicators

1. 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)

<https://udaipurcement.com/platinum-heavy-duty-cement/>

<https://udaipurcement.com/platinum-supremo-cement/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- On-site services for raw material testing and product application, through Technical Mobile Van.
- Site supervision services to educate customers on right construction methodologies and practices.
- Advise on good construction practices through meets, leaflets, brochures etc.
- Training to mason and contractors on good construction practices.
- Product usage tips released through social media.
- Trainings by technical service department.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We don't fall under Essential Service Maintenance.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

We follow BIS Regulations for the product packaging and information to be contained in the product packaging. However, in few cases product benefits are also displayed on the cement bag. The Company has various channels to gather information from the customers on its products. Additionally the cross-functional team visits the markets and take feedbacks from various customers and stakeholders on regular intervals.

5. Provide the following information relating to data breaches

- a. Number of instances of data breaches along-with Impact

One incident for an attempt to breach IT system was recorded in year 2022-23. However, the attempt was neutralized before any damage.

- b. Percentage of data breaches involving personally identifiable information of customers.

No data breach for personally identifiable information or any other types of information had happened during year 2022-23.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UDAIPUR CEMENT WORKS LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Udaipur Cement Works Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Key Audit Matters

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

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



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

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

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

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

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design



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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the

standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act,



we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 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.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in

accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner



whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend

or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For BANSILAL SHAH & CO.**

Chartered Accountants  
Firm’s Registration No: 000384W

**DHRUV SHAH**

Partner  
Membership No.: 223609

Place: Udaipur

Date: May 11, 2023



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

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

- (i). In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii). In respect of its inventories:
- (a) The management has physically verified the inventories. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed and the discrepancies have been properly dealt with in the books of account.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crores from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (b) to (d) of the order are not applicable to the company and hence not commented upon.
- (iv). In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v). The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi). We have broadly reviewed the accounts and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under Section 148 of the Act, and are of the opinion that prima facie, the prescribed Cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii). According to the information and explanations given to us, in respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed



statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income

Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

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

NAME OF THE STATUTE	NATURE OF THE DUES	GROSS AMOUNT	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
Land Tax	Land Tax Act	5,51,79,898	2006-07 To 2012-13	HIGH COURT, JODHPUR
	Land Tax Act	15,23,89,698	2019-20 To 2022-23	HIGH COURT, JODHPUR

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

(ix). Reporting on repayment and usage borrowing:

- (a). Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues or payment of interest thereon to the financial institutions, banks, governments or debenture holders during the year.
- (b) The company has not been declared willful defaulter by any bank or financial institution or government or any other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures

(f) According to the is information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x). (a). The company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Hence, reporting under clause (x)(a) of the Order is not applicable to the Company..

(b). According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi). To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has



- been noticed or reported during the year. The company has not filed Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xii). The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii). In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv). (a) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under Audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv). In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi). The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.
- (xvii). The company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii). There has been no resignation of statutory auditor of the company. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix). On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx). The company has no unspent amount of CSR required to be transferred to a special designated bank account (related to any ongoing project) and to a fund as specified in Schedule VII to the Companies Act, 2013 within the prescribed time limit. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

**For BANSILAL SHAH & CO.**

Chartered Accountants

Firm's Registration No: 000384W

**DHRUV SHAH**

Partner

Membership No.: 223609

Place: Udaipur

Date: May 11, 2023



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **UDAIPUR CEMENT WORKS LIMITED** ("the Company") as of March 31, 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

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

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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

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



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

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

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

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

**For BANSILAL SHAH & CO.**

Chartered Accountants  
Firm's Registration No: 000384W

**DHRUV SHAH**

Partner  
Membership No.: 223609

Place: Udaipur  
Date: May 11, 2023



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023**

₹ In Crore (10 Million)

	Note No.	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	701.46	716.37
(b) Capital Work-in-Progress	3	816.39	130.40
(c) Investment Property	4	9.15	9.15
(d) Financial Assets			
(i) Others	5	9.95	6.43
(e) Deferred Tax Assets (Net)	6	26.91	41.27
(f) Other Non-Current Assets	7	31.83	90.42
		<b>1,595.69</b>	<b>994.04</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	8	141.19	89.79
(b) Financial Assets			
(i) Investments	9	-	87.19
(ii) Trade Receivables	10	4.91	4.48
(iii) Cash and Cash Equivalents	11	3.96	6.87
(iv) Bank Balances other than (iii)	12	0.23	227.21
(v) Others	13	1.86	2.04
(c) Other Current Assets	14	46.25	15.56
(d) Current Tax Assets (Net)		1.25	1.44
		<b>199.65</b>	<b>434.58</b>
		<b>1,795.34</b>	<b>1,428.62</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	124.56	124.56
(b) Other Equity		221.25	170.00
		<b>345.81</b>	<b>294.56</b>
<b>LIABILITIES</b>			
<b>(1) NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,015.68	534.82
(ii) Other Financial Liabilities	17	27.34	25.63
(b) Provisions	18	3.76	2.46
(c) Other Non-Current Liabilities	19	0.87	0.62
		<b>1,047.65</b>	<b>563.53</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	20	129.78	406.33
(ii) Trade Payables	21		
Micro and Small Enterprises		2.72	1.97
Others		71.34	65.68
(iii) Other Financial Liabilities	22	113.97	59.86
(b) Other Current Liabilities	23	83.25	36.16
(c) Provisions	24	0.82	0.53
		<b>401.88</b>	<b>570.53</b>
		<b>1,795.34</b>	<b>1,428.62</b>

Significant Accounting Policies 1

The accompanying notes form an integral part of these financial statement. 2-61

As per our report of even date

**For BANSILAL SHAH & COMPANY**

Chartered Accountants

Firm Registration No.: 000384W

**DHRUV SHAH**

Partner

Membership No.: 223609

Place : Udaipur

Date : 11<sup>th</sup> May, 2023**POONAM SINGH**  
Company Secretary**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

**VINITA SINGHANIA**

Chairperson

**SHRIVATS SINGHANIA**

Director &amp; CEO

**ONKAR NATH RAI****SURENDRA MALHOTRA****VINIT MARWAHA****BHASWATI MUKHERJEE****NAVEEN KUMAR SHARMA**

} Directors



UDAIPUR CEMENT WORKS LIMITED

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

₹ In Crore (10 Million)

	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I. Revenue from Operations	25	1,030.97	875.98
II. Other Income	26	1.29	5.12
<b>III. Total Income (I + II)</b>		<b>1,032.26</b>	<b>881.10</b>
<b>IV. Expenses :-</b>			
a) Cost of Materials Consumed	27	129.32	122.21
b) Purchase of Stock-in-Trade	28	250.44	203.22
c) Change in Inventories of finished goods, work-in-progress and traded goods	29	(7.65)	2.19
d) Employee Benefits Expense	30	38.52	36.33
e) Power and Fuel	31	349.99	224.30
f) Transport, Clearing & Forwarding Charges	32	49.60	56.59
g) Finance Costs	33	47.56	50.26
h) Depreciation and Amortization Expense	34	37.00	35.15
i) Other Expenses	35	87.00	82.44
<b>Total Expenses (IV)</b>		<b>981.78</b>	<b>812.69</b>
<b>V. Profit before Exceptional Items and Tax (III - IV)</b>		<b>50.48</b>	<b>68.41</b>
VI. Exceptional Items - Gain / (Loss)		-	(3.60)
<b>VII. Profit before tax (V + VI)</b>		<b>50.48</b>	<b>64.81</b>
<b>VIII. Tax Expense</b>			
(1) Current tax		-	-
(2) Deferred tax		14.62	16.15
<b>IX. Profit for the year (VII - VIII)</b>		<b>35.86</b>	<b>48.66</b>
<b>X. Other Comprehensive Income / (Loss) Items that will not be reclassified to profit or loss in subsequent periods</b>			
(1) Re-measurement gain / (losses) on defined benefit plans		(1.02)	(0.31)
(2) Income tax effect		0.26	0.08
<b>Total Other Comprehensive Income / (Loss) (X)</b>		<b>(0.76)</b>	<b>(0.23)</b>
<b>XI. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX + X)</b>		<b>35.10</b>	<b>48.43</b>
<b>XII. Earnings per Equity Share (Face Value of ₹ 4 each)</b>	36		
Basic Earnings per Equity Share (₹) :		1.15	1.56
Diluted Earnings per Equity Share (₹) :		1.15	1.56

Significant Accounting Policies

1

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

2-61

As per our report of even date

For and on Behalf of the Board

**For BANSILAL SHAH & COMPANY**

Chartered Accountants

Firm Registration No.: 000384W

**DHRUV SHAH**

Partner

Membership No.: 223609

Place: Udaipur

Date: 11<sup>th</sup> May, 2023**POONAM SINGH**  
Company Secretary**PRANAV CHITRE**  
Chief Financial Officer**VINITA SINGHANIA**

Chairperson

**SHRIVATS SINGHANIA**

Director &amp; CEO

**ONKAR NATH RAI**

SURENDRA MALHOTRA

VINIT MARWAHA

BHASWATI MUKHERJEE

NAVEEN KUMAR SHARMA

} Directors



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023****A. EQUITY SHARE CAPITAL**

₹ In Crore (10 Million)

Particulars	As at 1 <sup>st</sup> April	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting Year	Changes in Equity Share Capital during the current year	As at 31 <sup>st</sup> March
<b>As at 31<sup>st</sup> March, 2023</b>					
Equity Shares 31,14,09,817 (with equal rights) (Previous Year 31,14,09,817) of ₹ 4 each fully paid up	124.56	-	124.56	-	124.56
	<b>124.56</b>	-	<b>124.56</b>	-	<b>124.56</b>
<b>As at 31<sup>st</sup> March, 2022</b>					
Equity Shares 31,14,09,817 (with equal rights) (Previous Year 31,14,09,817) of ₹ 4 each fully paid up	124.56	-	124.56	-	124.56
	<b>124.56</b>	-	<b>124.56</b>	-	<b>124.56</b>

**B. OTHER EQUITY**

₹ In Crore (10 Million)

Particulars	Reserves and Surplus				Items of Other Comprehensive Income, that will not be reclassified to Statement of Profit & Loss Re-measurement of Net Defined Benefit Plans	Total
	Equity Component of Financial Guarantee	Equity Component of compound Financial Instruments	Security Premium	Retained Earnings		
<b>Balance as at 1<sup>st</sup> April 2021</b>	<b>31.70</b>	<b>26.30</b>	<b>38.52</b>	<b>27.18</b>	<b>(1.49)</b>	<b>122.21</b>
Profit for the Year	-	-	-	48.66	-	48.66
Changes in Corporate Guarantee given by Holding Co. for Inter Corporate Loan & Term Loan	2.99	-	-	-	-	2.99
Changes in Equity component of Preference Shares	-	(3.63)	-	-	-	(3.63)
Other Comprehensive Income / (Loss)	-	-	-	-	(0.23)	(0.23)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>34.69</b>	<b>22.67</b>	<b>38.52</b>	<b>75.84</b>	<b>(1.72)</b>	<b>170.00</b>
Profit for the Year	-	-	-	35.86	-	35.86
Changes in Corporate Guarantee given by Holding Co. for Inter Corporate Loan & Term Loan	20.58	-	-	-	-	20.58
Changes in Equity component of Preference Shares	-	(4.43)	-	-	-	(4.43)
Other Comprehensive Income / (Loss)	-	-	-	-	(0.76)	(0.76)
<b>Balance As at 31<sup>st</sup> March 2023</b>	<b>55.27</b>	<b>18.24</b>	<b>38.52</b>	<b>111.70</b>	<b>(2.48)</b>	<b>221.25</b>

As per our report of even date

**For BANSILAL SHAH & COMPANY**Chartered Accountants  
Firm Registration No.: 000384W**DHRUV SHAH**Partner  
Membership No.: 223609  
Place: Udaipur  
Date: 11<sup>th</sup> May, 2023**POONAM SINGH**  
Company Secretary**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

**VINITA SINGHANIA**

Chairperson

**SHRIVATS SINGHANIA**

Director &amp; CEO

**ONKAR NATH RAI****SURENDRA MALHOTRA****VINIT MARWAHA****BHASWATI MUKHERJEE****NAVEEN KUMAR SHARMA**

} Directors



**Notes to the Financial Statement for the Year ended March 31, 2023****Company Overview, Basis of Preparation & Significant Accounting Policies.****NOTE 1****I. Corporate & General Information**

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

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

These Financial Statements were approved and adopted by the Board of Directors of the Company in their meeting held on 11<sup>th</sup> May 2023.

**II. Basis of Preparation of Financial Statements****(i) Statement of Compliance**

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

**(ii) Basis of Preparation**

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

**(iii) Basis of Measurement**

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

**(iv) Fair Value Measurement**

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

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

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

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

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

All Assets and Liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the



Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of Assets and Liabilities. Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

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

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

**III. Significant Accounting Policies**

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

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

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

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

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

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

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

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

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

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



**Notes to the Financial Statement for the Year ended March 31, 2023****(2) Investment Properties**

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

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

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

**(3) Intangible Assets**

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

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

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

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

**Intangible Assets are amortized as follows:**

- Computer Software : Over a period of five years

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

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

**(4) Research and Development Cost**

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

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



**(5) Inventories**

Inventories are carried in the balance sheet as follows :

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

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

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

**(6) Cash and Cash Equivalents**

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

**(7) Impairment of Assets**

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

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

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

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

**(8) Foreign Currency Translations & Transitions****(i) Functional and Presentation Currency**

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



**Notes to the Financial Statement for the Year ended March 31, 2023****(ii) Transaction and Balance**

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

**(9) Financial Instruments.**

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

**1. Financial Assets****1.1 Definition**

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

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

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

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

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

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

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

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

**1.2 Trade Receivables**

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade Receivables are initially recognized at their Transaction Value as reduced by provision for impairment, if any. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.



### 1.3 Investment in Equity Shares

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

### 1.4 Derecognition of Financial Assets

A Financial Asset is primarily derecognized when:

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

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

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

## 2. Financial Liabilities

### 2.1 Definition

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

#### (a) Initial Recognition and Measurement

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

The Company’s Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### (b) Subsequent Measurement

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

##### i) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



**Notes to the Financial Statement for the Year ended March 31, 2023****ii) Financial Liabilities measured at Amortized Cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortized cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

**2.2 Loans and Borrowings**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

**2.3 Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

**2.4 Trade and Other Payables**

A payable is classified as trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**2.5 De-recognition of Financial Liability**

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

**3. Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an



intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### **4. Derivative Financial Instruments**

The Company uses derivative financial instruments, such as forward contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

#### **5. Compound Financial Instruments.**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry

### **(10) Grants**

Grants from the Government are recognised when there is reasonable assurance that all underlying conditions will be complied with and that the grant will be received.

When loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. That grant is recognised in the Statement of Profit and Loss under 'other operating income or finance cost'. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by recording the grant as deferred income which is released to the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

Grants related to income are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and are presented as 'other operating revenues'.

### **(11) Equity Share Capital**

Ordinary Shares are classified as Equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from Retained Earnings, net of taxes.

### **(12) Provisions, Contingent liabilities, Contingent Assets and Commitments**

#### **i) General**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. When the Company expects



**Notes to the Financial Statement for the Year ended March 31, 2023**

some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**Contingent Liability**

Contingent Liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of Purchase Order (net of Advances) issued to parties for Completion of Assets.

Provisions, Contingent Liabilities, Contingent Assets and commitments are reviewed at each Balance Sheet date.

**ii) Other Litigation Claims**

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

**iii) Onerous Contracts**

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the Assets with the contract.

**iv) Contingent Asset**

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefit is probable.

**(13) Revenue Recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount of Transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods & services rendered is net of variable consideration on account of various discounts & schemes offered by the Company as part of the contract.

**i) Sale of Goods**

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

Taxes collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably



**ii) Non-Cash Incentives**

The Company provides Non-Cash Incentives at Fair Value to customers. These benefits are passed on to customers on satisfaction of various conditions of various sales schemes. Consideration received is allocated between the products sold and non-cash incentives to be issued to customers. Fair value of non-cash incentive is determined by applying principle of Ind AS 113 i.e. market rate. A contract liability for the non-cash incentive is recognized at the time of sale.

**iii) Power Distribution**

Revenue from Power Distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued up to the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission.

**iv) Dividend Income**

The Company recognizes a Liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders, except in case of interim dividend which is authorized by the Board of Directors.

**v) Lease Incentives**

Lease Agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Leases rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

**vi) Interest Income**

For all Financial Instruments measured at amortized cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the Financial Instrument or a shorter period, where appropriate, to the net carrying amount of the Financial Asset. Interest income is included in other income in Statement of Profit and Loss.

**vii) Renewable Energy Certificate**

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on Sale of REC. Income from Sale of RECs is recognized on the delivery to the Customers' Account.

**viii) Export Benefit**

Export incentives, Duty Drawbacks and other benefits are recognized in the Statement of Profit and Loss on Accrual Basis.

**(14) Employees Benefits****i) Defined Contribution Plans**

Contributions to the employees' regional Provident Fund, Superannuation Fund, Employees Pension Scheme and Employees' State Insurance are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services.

**ii) Defined Benefit Plans**

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognized in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.



**Notes to the Financial Statement for the Year ended March 31, 2023**

The Company makes contribution towards provident fund which is administered by Employees' Provident Fund Organisation, Government of India .

**iii) Short-term Employee Benefits**

Short Term Benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

**iv) Long-Term Employee Benefit**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. Annual Leaves can either be availed or encashed subject to restriction on the maximum accumulation of Leaves.

**v) Termination Benefits**

Termination Benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

**(15) Borrowing Costs**

- (1) Borrowing Costs that are specifically attributable to the acquisition, construction, or production of a Qualifying Asset are capitalized as a part of the cost of such Asset till such time the asset is ready for its intended use or sale. A Qualifying Asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

The Borrowing Cost consists of Interest & Other Incidental costs that the Company incurs in connection with the borrowing of such Funds.

- (2) For general borrowing used for the purpose of obtaining a Qualifying Asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.
- (3) All other borrowing costs are recognized as expense in the period in which they are incurred.

**(16) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a Lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-Of-Use Assets**

The Company recognises Right-Of-Use Assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use Assets are measured at cost, less any accumulated



depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right-of-use Assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use Assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the Assets.

If ownership of the Leased Asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the Asset.

## ii) Lease Liabilities

At the commencement date of the lease, the Company recognises Lease Liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

## iii) Short-Term Leases and Leases of Low Value Assets

The Company has elected not to recognise Right-of-Use Assets and Lease Liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

## Company as a Lessor

Lease income from Operating Leases where the Company is a Lessor is recognized in income on straight-line basis over the lease term unless the recipients are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective Leased Assets are included in the Balance Sheet based on their nature.

## (17) Taxes on Income

### a) Current Tax

- i) Tax on Income for the Current Period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- ii) Current Income Tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax



**Notes to the Financial Statement for the Year ended March 31, 2023**

returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b) Deferred Tax**

Deferred Tax is provided using the Balance Sheet Approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilized. Unrecognized Deferred Tax Assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred Tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss.

Deferred Tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

The break-up of the major components of the Deferred Tax Assets and Liabilities as at Balance Sheet date has been arrived at after setting off Deferred Tax Assets and Liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

**(18) Exceptional Items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**(19) Earnings Per Share (EPS)****i) Basic Earnings Per Share**

Basic Earnings Per Share is calculated by dividing

- The Profit or Loss attributable to Equity Shareholders of the Company by the Weighted Average number of Equity Shares outstanding during the Financial Year, adjusted for bonus elements in Equity Shares issued during the Year.

**ii) Diluted Earnings Per Share**

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account

- The after Income Tax Effect of interest and other financing costs associated with dilutive potential Equity Shares, and the Weighted Average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

**(20) Segment Accounting**

The Company is engaged primarily into manufacturing of Cement. The Company has only one business segment as identified by management namely Cementious Materials.



Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Chairperson (Chief Operating Decision Maker).

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on each segments profit or loss and is measured consistently with profit or loss in the financial statements.

#### **(21) Cash Dividend**

The Company recognises a Liability to pay dividend to Equity Holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when its approved by the shareholders. A corresponding amount is recognized directly in Other Equity. Interim Dividends are recognised as a Liability on the date of declaration by the Company's Board of Directors.

#### **(22) Recent Pronouncements**

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 1 – Presentation of Financial Statements** : The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

**Ind AS 12 – Income Taxes** : The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors** : The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



**Notes to the Financial Statement for the Year ended March 31, 2023****NOTE 2****PROPERTY, PLANT AND EQUIPMENT**

₹ In Crore (10 Million)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixture	Office Equipments	Vehicles	Railway Siding	Total
<b>GROSS BLOCK :</b>									
<b>As at 1<sup>st</sup> April 2021</b>	10.41	103.32	27.64	743.83	1.04	0.83	2.39	4.27	<b>893.73</b>
Additions/Adjustments	0.22	-	0.22	75.55	0.05	0.13	1.05	2.74	<b>79.96</b>
Disposals / Adjustments	-	-	-	-	-	-	(0.67)	-	<b>(0.67)</b>
<b>As at 31<sup>st</sup> March 2022</b>	<b>10.63</b>	<b>103.32</b>	<b>27.86</b>	<b>819.38</b>	<b>1.09</b>	<b>0.96</b>	<b>2.77</b>	<b>7.01</b>	<b>973.02</b>
Additions / Adjustments	4.01	-	3.06	13.73	0.07	0.58	0.87	-	<b>22.32</b>
Disposals / Adjustments	-	-	-	-	-	(0.01)	(0.57)	-	<b>(0.58)</b>
<b>As at 31<sup>st</sup> March 2023</b>	<b>14.64</b>	<b>103.32</b>	<b>30.92</b>	<b>833.11</b>	<b>1.16</b>	<b>1.53</b>	<b>3.07</b>	<b>7.01</b>	<b>994.76</b>
<b>ACCUMULATED DEPRECIATION :</b>									
<b>As at 1<sup>st</sup> April 2021</b>	-	12.32	16.82	188.92	0.89	0.71	1.23	0.81	<b>221.70</b>
Charged for the year	-	1.94	1.69	30.71	0.04	0.06	0.43	0.27	<b>35.14</b>
On Disposal	-	-	-	-	-	-	(0.19)	-	<b>(0.19)</b>
<b>As at 31<sup>st</sup> March 2022</b>	-	<b>14.26</b>	<b>18.51</b>	<b>219.63</b>	<b>0.93</b>	<b>0.77</b>	<b>1.47</b>	<b>1.08</b>	<b>256.65</b>
Charged for the year	-	1.94	1.15	32.80	0.04	0.11	0.52	0.44	<b>37.00</b>
On Disposal	-	-	-	-	-	(0.01)	(0.34)	-	<b>(0.35)</b>
<b>As at 31<sup>st</sup> March 2023</b>	-	<b>16.20</b>	<b>19.66</b>	<b>252.43</b>	<b>0.97</b>	<b>0.87</b>	<b>1.65</b>	<b>1.52</b>	<b>293.30</b>
<b>NET CARRYING AMOUNT :</b>									
<b>As at 31<sup>st</sup> March 2022</b>	10.63	89.06	9.35	599.75	0.16	0.19	1.30	5.93	<b>716.37</b>
<b>As at 31<sup>st</sup> March 2023</b>	<b>14.64</b>	<b>87.12</b>	<b>11.26</b>	<b>580.68</b>	<b>0.19</b>	<b>0.66</b>	<b>1.42</b>	<b>5.49</b>	<b>701.46</b>

**NOTE 3****CAPITAL WORK IN PROGRESS (CWIP)**

₹ In Crore (10 Million)

Movement of Capital Work in Progress	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Opening	<b>130.40</b>	46.25
Additions during the year	<b>707.30</b>	162.88
Capitalised during the year	<b>(21.31)</b>	(78.73)
<b>Closing</b>	<b>816.39</b>	<b>130.40</b>

**CAPITAL WORK IN PROGRESS AGEING SCHEDULE**

₹ In Crore (10 Million)

CWIP	Amount in CWIP as at 31 <sup>st</sup> March 2023					Amount in CWIP as at 31 <sup>st</sup> March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects In Progress	689.86	126.27	0.26	-	816.39	129.47	0.93	-	-	130.40
Projects Temporarily Suspended	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>689.86</b>	<b>126.27</b>	<b>0.26</b>	<b>-</b>	<b>816.39</b>	<b>129.47</b>	<b>0.93</b>	<b>-</b>	<b>-</b>	<b>130.40</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****NOTE 4****INVESTMENT PROPERTY**

₹ In Crore (10 Million)

Particulars	Freehold Land	Total
<b>GROSS BLOCK :</b>		
<b>As at 1<sup>st</sup> April 2021</b>	9.15	<b>9.15</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2022</b>	9.15	<b>9.15</b>
Additions / Adjustments	-	-
Disposals / Adjustments	-	-
<b>As at 31<sup>st</sup> March 2023</b>	9.15	<b>9.15</b>
<b>ACCUMULATED DEPRECIATION :</b>		
<b>As at 1<sup>st</sup> April 2021</b>	-	-
Charged for the year	-	-
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2022</b>	-	-
Charged for the year	-	-
On Disposal	-	-
<b>As at 31<sup>st</sup> March 2023</b>	-	-
<b>NET CARRYING AMOUNT :</b>		
<b>As at 31<sup>st</sup> March 2022</b>	9.15	<b>9.15</b>
<b>As at 31<sup>st</sup> March 2023</b>	<b>9.15</b>	<b>9.15</b>

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>FINANCIAL ASSETS</b>		
<b>NOTE 5</b>		
<b>OTHER NON-CURRENT FINANCIAL ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Security Deposits	9.94	6.42
Bank Deposits with original maturity of more than 12 months*	0.01	0.01
	<b>9.95</b>	<b>6.43</b>
*Under lien		
<b>NOTE 6</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation and Brought Forward Business Losses	98.77	107.47
Expenses / Provisions allowable	4.76	3.87
<b>Less : Deferred Tax Liability</b>		
Related to Property, Plant and Equipments	76.62	70.07
	<b>26.91</b>	<b>41.27</b>
<b>NOTE 7</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	31.83	90.42
	<b>31.83</b>	<b>90.42</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>NOTE 8</b>		
<b>INVENTORIES (at lower of cost or net realisable value)</b>		
Raw Materials {Including in transit - ₹ 45,126 (Previous Year - ₹ 0.02 Crs.)}	4.43	3.92
Work-in-Progress	15.39	8.94
Finished Goods	2.71	1.50
Stock-in-Trade {Including in transit - ₹ 0.18 Crs. (Previous Year - Nil)}	0.43	0.44
Stores & Spares {Including in transit of ₹ 22.86 Crs. (Previous Year - ₹ 8.27 Crs.)}	115.57	72.64
Packing Materials	2.66	2.35
	<b>141.19</b>	<b>89.79</b>
<b>NOTE 9</b>		
<b>CURRENT INVESTMENT</b>		
<b>Investment at Fair Value through Profit &amp; Loss</b>		
Investments in quoted mutual funds	-	87.19
	-	<b>87.19</b>
Aggregate Book Value of quoted investments	-	87.19
Aggregate Market Value of quoted investments	-	87.19
Aggregate Book Value of unquoted Investments	-	-
<b>NOTE 10</b>		
<b>TRADE RECEIVABLES @</b>		
Considered good - Secured	-	0.24
Considered good - Unsecured	4.91	4.24
Which have significant increase in Credit risk	-	-
Credit Impaired	-	-
	<b>4.91</b>	<b>4.48</b>
@ Contract Assets as per IND AS 115		
No Trade or Other Receivable are due from Directors or other Officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0-90 days		
<b>NOTE 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
On Current Accounts	3.95	6.86
Cash on hand	0.01	0.01
	<b>3.96</b>	<b>6.87</b>
<b>NOTE 12</b>		
<b>OTHER BANK BALANCES</b>		
Deposits with original maturity for more than 3 months but less than 12 months*	0.23	227.21
	<b>0.23</b>	<b>227.21</b>
*Includes ₹ 0.01 Crs. (Previous Year - ₹ 0.01 Crs.) against lien		
<b>NOTE 13</b>		
<b>OTHER CURRENT FINANCIAL ASSETS</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Other Receivables	1.86	2.04
	<b>1.86</b>	<b>2.04</b>
<b>NOTE 14</b>		
<b>OTHER CURRENT ASSETS</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Prepaid expenses	1.50	1.50
Balance with Govt. Authorities	36.25	2.46
Other Advances	8.50	11.60
	<b>46.25</b>	<b>15.56</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>NOTE 15</b>		
<b>EQUITY SHARE CAPITAL</b>		
Authorized :		
Equity Shares - 71,00,00,000 (Previous year - 71,00,00,000) of ₹ 4 each	<b>284.00</b>	284.00
Preference Shares - 6,600 (Previous year - 6,600) of ₹ 1,00,000 each	<b>66.00</b>	66.00
- 50,00,000 (Previous year - 50,00,000) of ₹ 100 each	<b>50.00</b>	50.00
	<b>400.00</b>	<b>400.00</b>
<b>Issued, Subscribed and Paid up :</b>		
<b>Equity Shares (with equal rights)</b>		
31,14,09,817 (Previous year - 31,14,09,817) of ₹ 4 each fully paid up	<b>124.56</b>	124.56
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
4,700 (Previous year - 4,700) of ₹ 1,00,000 each fully paid up (Series-I)	<b>47.00</b>	47.00
1,300 (Previous year - 1,300) of ₹ 1,00,000 each fully paid up (Series-II)	<b>13.00</b>	13.00
600 (Previous year - 600) of ₹ 1,00,000 each fully paid up (Series-B)	<b>6.00</b>	6.00
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>		
5,00,000 (Previous year - 5,00,000) of ₹ 100 each fully paid up	<b>5.00</b>	5.00
	<b>195.56</b>	<b>195.56</b>
<b>Less: Reclassification of Preference Shares</b>		
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
4,700 (Previous year - 4,700) of ₹ 1,00,000 each fully paid up (Series-I)	<b>(47.00)</b>	(47.00)
1,300 (Previous year - 1,300) of ₹ 1,00,000 each fully paid up (Series-II)	<b>(13.00)</b>	(13.00)
600 (Previous year - 600) of ₹ 1,00,000 each fully paid up (Series-B)	<b>(6.00)</b>	(6.00)
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>		
5,00,000 (Previous year - 5,00,000) of ₹ 100 each fully paid up	<b>(5.00)</b>	(5.00)
	<b>124.56</b>	<b>124.56</b>

**a. Reconciliation of the number of Shares Outstanding:**

Particulars	Opening Balance	Changes in share Capital during the year	Shares Outstanding at the end of the year
Equity Shares	31,14,09,817	-	<b>31,14,09,817</b>
5% CRPS (Series-I)	4,700	-	<b>4,700</b>
5% CRPS (Series-II)	1,300	-	<b>1,300</b>
5% CRPS (Series-B)	600	-	<b>600</b>
6% OCCRPS	5,00,000	-	<b>5,00,000</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****b. List of Shareholders holding more than 5% shares:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of shares	% holding in the class	Number of shares	% holding in the class
<b>Equity Shares</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>22,58,92,781</b>	<b>72.54%</b>	22,58,92,781	72.54%
<b>5% Cumulative Redeemable Preference Shares</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>6,600</b>	<b>100%</b>	6,600	100%
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>				
JK Lakshmi Cement Ltd. (Holding Company)	<b>5,00,000</b>	<b>100%</b>	5,00,000	100%

**c. Terms / right attached to Equity Shareholders:**

- The Company has only one class of Equity Shares having a par value of ₹ 4 per share. Each holder of Equity Shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

- d.** 5% Cumulative Redeemable Preference Shares (CRPS) (Series I & II) carries a Put Option. In the event of the Company being unable to pay dividend for a consecutive period of 3 years after it is out of the purview of BIFR and unable to pay the Capital back, CRPS (Series I & II) holders have the right to get them converted into Equity Shares subject to statutory approvals.

5% CRPS (Series I & II) also carries a Call Option. In case there being any Liquidity Event of the Company, if it fails to redeem the CRPS at par within 3 months, CRPS (Series I & II) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

If the Put / Call option is not exercised, 5% CRPS (Series I & II) are redeemable in 3 annual installments of 30%, 30% & 40% of face value at the end of 18<sup>th</sup>, 19<sup>th</sup> & 20<sup>th</sup> year from the date of allotment.

- e.** 5% CRPS (Series B) carries a Put Option. In the event of the Company being unable to pay dividend for a consecutive period of 3 years commencing from the Financial Year Apr-Mar'18 and unable to pay the Capital back, CRPS (Series B) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

5% CRPS (Series B) also carries a Call Option. In case there being any Liquidity Event in the Company, if it fails to redeem the CRPS (Series B) at par within 3 months, CRPS (Series B) holders shall have the right to get them converted into Equity Shares subject to statutory approvals.

If the Put / Call Option is not exercised, 5% CRPS (Series B) are redeemable in 3 annual installments of 30%, 30% & 40% of face value at the end of 18<sup>th</sup>, 19<sup>th</sup> & 20<sup>th</sup> year from the date of allotment.

- f.** 5 Lakh, 6% OCCRPS of Face Value of ₹ 100 per share aggregating to ₹ 5 Crs. are Redeemable Preference Shares to be redeemed in three equal installments at the end of 18<sup>th</sup> Year, 19<sup>th</sup> Year & 20<sup>th</sup> Year from the date of allotment of 10<sup>th</sup> August 2017.

**g. Nature of Reserves :-**

Security Premium :- Represents the amount received in excess of Par value of Securities.

- h.** During the last five years, the Company has not issued any Bonus shares nor are there any shares bought back and issued for consideration other than cash.



**Notes to the Financial Statement for the Year ended March 31, 2023****i. Shareholding of Promoters for each class of Shares :**

Shares held by promoters at the end of the year				% Change during the Year
S.N.	Promoter Name	No. of Shares	% of Total Shares	
	<b>JK Lakshmi Cement Ltd. (Holding Company)</b>			
1	Equity Shares	22,58,92,781	72.54%	-
2	5% CRPS (Series-I)	4,700	100%	-
3	5% CRPS (Series-II)	1,300	100%	-
4	5% CRPS (Series-B)	600	100%	-
5	6% OCCRPS	5,00,000	100%	-

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	Non Current	Current*	Non Current	Current*
<b>NOTE 16</b>				
<b>NON-CURRENT BORROWINGS</b>				
<b>SECURED LOANS</b>				
<b>Bonds / Debentures</b>				
- Redeemable Non-Convertible Debentures	350.00	-	-	350.00
<b>Term Loans :</b>				
- From Banks	627.77	62.57	495.97	52.75
	<b>977.77</b>	<b>62.57</b>	<b>495.97</b>	<b>402.75</b>
<b>UNSECURED LOANS</b>				
- From Related Party	-	-	-	10.00
<b>Add: Liability Component of Compound Financial Instruments</b>				
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>				
- 4,700 Shares of ₹ 1,00,000 each fully paid up (Series-I)	53.48	-	47.86	-
- 1,300 Shares of ₹ 1,00,000 each fully paid up (Series-II)	14.44	-	12.92	-
- 600 Shares of ₹ 1,00,000 each fully paid up (Series-B)	5.63	-	5.04	-
<b>6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)</b>	6.69	-	6.39	-
<b>Less: Amortization of Processing Charges on Loan and Corporate Guarantee for Loan</b>				
- Processing Charges on Loan	(5.25)	-	(5.09)	-
- Corporate Guarantee for Loan	(37.08)	(18.19)	(28.27)	(6.42)
	<b>37.91</b>	<b>(18.19)</b>	<b>38.85</b>	<b>3.58</b>
Less: Current Maturities of Long-Term Debt shown under Note No. 20	-	44.38	-	406.33
	<b>1,015.68</b>	<b>-</b>	<b>534.82</b>	<b>-</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

- 1 8.96% Guaranteed Rated Secured Listed Redeemable Privately Placed Non Convertible Debentures of ₹ 350 Crores are redeemable on 16<sup>th</sup> March 2025

The NCDs are secured by a Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan and Pari Passu Second Charge on the Current Assets of the Company.

The said NCDs are also secured by a Corporate Guarantee of the Holding Company.

- 2 Term Loans aggregating to ₹ 652.13 Crores from Banks are secured by a (i) Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company.

**The said Term Loans are also secured by a Corporate Guarantee of the Holding Company.**

- Term Loan of ₹ 67.17 Crores shall be repayable in 26 unequal Quarterly Instalments
- Term Loan of ₹ 68.00 Crores shall be repayable in 22 unequal Quarterly Instalments
- Term Loan of ₹ 78.50 Crores shall be repayable in 24 unequal Quarterly Instalments
- Term Loan of ₹ 211.60 Crores shall be repayable in 28 unequal Quarterly Instalments
- Term Loan of ₹ 32.50 Crores shall be repayable in 24 equal Quarterly Instalments
- Term Loans of ₹ 194.36 Crores shall be repayable in 44 unequal Quarterly Instalments commencing from 31<sup>st</sup> December 2025.

- 3 Term Loans of ₹ 38.21 Crores from Banks under Emergency Credit Line Guarantee Scheme (ECLGS) are secured by a (i) Pari Passu Second Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company.

The said Term Loans under ECLGS are also secured by 100% Credit Guarantee by National Credit Trustee Company.

- Term Loan of ₹ 21.51 Crores shall be repayable in 38 unequal Monthly Instalments
- Term Loan of ₹ 16.70 Crores shall be repayable in 38 unequal Monthly Instalments

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>NOTE 17</b>		
<b>OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		
Trade and other Deposits	27.34	25.63
	<b>27.34</b>	<b>25.63</b>
<b>NOTE 18</b>		
<b>NON-CURRENT PROVISIONS</b>		
Provision for Employees' Benefits	3.76	2.46
	<b>3.76</b>	<b>2.46</b>
<b>NOTE 19</b>		
<b>OTHER NON-CURRENT LIABILITIES</b>		
Liability for Employees Subsidized Car Scheme	0.87	0.62
	<b>0.87</b>	<b>0.62</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

₹ In Crore (10 Million)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>NOTE 20</b>		
<b>SHORT-TERM BORROWINGS</b>		
Secured Loan		
Working Capital Borrowings from Banks	-	-
Current Maturities of Long-Term Debt (Refer Note No. 16)	44.38	406.33
Loan from Related Party	85.40	-
	<b>129.78</b>	<b>406.33</b>
Working capital facilities are secured by way of First Pari Passu Charge on the entire Current Assets of the Company and Second Pari Passu Charge on the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan, both Present and future. The Working Capital facilities are also secured by Corporate Guarantee of Holding Company		
<b>NOTE 21</b>		
<b>TRADE PAYABLES</b>		
Micro and Small Enterprise	2.72	1.97
Others	71.34	65.68
	<b>74.06</b>	<b>67.65</b>
<b>NOTE 22</b>		
<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		
Interest accrued but not due on borrowings	12.31	2.67
Capital Creditors	56.01	7.03
Other Liabilities	43.79	50.12
Marked to Market Loss	1.86	0.04
	<b>113.97</b>	<b>59.86</b>
<b>NOTE 23</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Advance from Customers @	11.85	9.00
Government and other dues	26.92	27.16
Other Advances	44.48	-
	<b>83.25</b>	<b>36.16</b>
@ Contract Liabilities as per IND AS 115		
<b>NOTE 24</b>		
<b>CURRENT PROVISIONS</b>		
Provision for Employees' Benefits	0.82	0.53
	<b>0.82</b>	<b>0.53</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

₹ In Crore (10 Million)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>NOTE 25</b>		
<b>REVENUE FROM OPERATIONS @</b>		
Sale of Products		
Cement	900.15	749.02
Others	130.82	126.96
	<b>1,030.97</b>	<b>875.98</b>
@ Revenue from contracts with customers disaggregated based on nature of product as per IND AS 115.		
<b>NOTE 26</b>		
<b>OTHER INCOME</b>		
Interest Income	0.46	0.80
Profit on sale of Current Investments *	0.51	3.87
Other Non-Operating Income	0.32	0.45
	<b>1.29</b>	<b>5.12</b>
* Inclusive of fair value gain / (loss) of ₹ (0.17) Crs. (Previous Year (loss) - ₹ (0.39) Crs.)		
<b>NOTE 27</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Raw Materials consumed	129.32	122.21
	<b>129.32</b>	<b>122.21</b>
<b>NOTE 28</b>		
<b>PURCHASE OF STOCK-IN-TRADE</b>		
Purchase of Traded Goods	250.44	203.22
	<b>250.44</b>	<b>203.22</b>
<b>NOTE 29</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stocks</b>		
Work in Progress	8.94	9.20
Finished Goods	1.50	3.23
Stock-in-Trade	0.44	0.64
	<b>10.88</b>	<b>13.07</b>
<b>Closing Stocks</b>		
Work in Progress	15.39	8.94
Finished Goods	2.71	1.50
Stock-in-Trade	0.43	0.44
	<b>18.53</b>	<b>10.88</b>
	<b>(7.65)</b>	<b>2.19</b>
<b>NOTE 30</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	31.00	30.02
Contribution to Provident and Other Funds	2.69	2.34
Staff Welfare Expenses	4.83	3.97
	<b>38.52</b>	<b>36.33</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

₹ In Crore (10 Million)

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>NOTE 31</b>		
<b>POWER AND FUEL</b>		
Power and Fuel	349.99	224.30
	<b>349.99</b>	<b>224.30</b>
<b>NOTE 32</b>		
<b>TRANSPORT, CLEARING &amp; FORWARDING CHARGES</b>		
Transport, Clearing & Forwarding charges	49.60	56.59
	<b>49.60</b>	<b>56.59</b>
<b>NOTE 33</b>		
<b>FINANCE COST</b>		
Interest Expenses	47.46	49.89
Other Borrowing Costs	0.10	0.37
	<b>47.56</b>	<b>50.26</b>
<b>NOTE 34</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Property, Plant & Equipment	37.00	35.14
Amortization on Intangible Assets	-	0.01
	<b>37.00</b>	<b>35.15</b>
<b>NOTE 35</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spares	15.66	14.32
Consumption of Packing Material	27.14	26.34
Rent (Net of realization ₹ 0.02 Crs., Previous Year ₹ 0.10 Crs.)	1.74	1.86
Repairs to Buildings	0.58	0.64
Repairs to Machinery	17.05	12.21
Insurance	1.22	1.00
Rates and Taxes	3.88	3.89
Commission on Sales	3.51	4.71
Director's Fee & Commission	0.14	0.15
Advertisement & Sales Promotion	7.57	10.20
Travelling, Consultancy & Misc. Expenses, etc.	8.51	7.12
	<b>87.00</b>	<b>82.44</b>
<b>NOTE 36</b>		
<b>EARNING PER EQUITY SHARE</b>		
Profit after Tax	35.86	48.66
Weighted average number of Equity Shares outstanding	31,14,09,817	31,14,09,817
Basic Earnings per Equity Share (₹): (Face Value of ₹ 4 each)	1.15	1.56
Diluted Earnings per Equity Share (₹): (Face Value of ₹ 4 each)	1.15	1.56



**Notes to the Financial Statement for the Year ended March 31, 2023****37. Financial Risk Management Objectives and Policies.**

The Company realizes that risks are inherent & integral part of any business. The primary focus is to foresee the unpredictability of financial market & seek to minimize potential adverse effect on its financial performance. The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk.

**37.1 Market Risk:** Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from change in the price of a financial instrument. The value of a financial instrument may change as result of change in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments and deposits, foreign currency receivables, payables and loans and borrowings. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk.

The Company has an elaborate risk management system to inform Board Members about risk management and minimization procedures.

**a) Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company makes certain imports in foreign currency & therefore is exposed to Foreign Exchange Risk.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

**Foreign Currency Sensitivity.**

The following table demonstrates the sensitivity to a reasonable possible change of US \$ with all other variable held constant. The impact on the Company's Profit / (Loss) before tax due to changes in Foreign Exchange Rate :

₹ In Crore (10 Million)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Appreciation in USD	+ ₹ 0.25	+ ₹ 0.25
Effect on profit / (loss) before tax	0.09	0.04
Depreciation in USD	- ₹ 0.25	- ₹ 0.25
Effect on profit / (loss) before tax	(0.09)	(0.04)

**b) Interest Rate Risk:** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by maintaining a proper blend of Fixed & Floating Rate Borrowings. The following Table shows the Company's Borrowings:

₹ In Crore (10 Million)

S. No.	Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>1</b>	<b>Loans in Rupees</b>		
	- Fixed Rate	165.64	425.79
	- Floating Rate	979.82	515.36
	<b>Total</b>	<b>1,145.46</b>	<b>941.15</b>
<b>2</b>	<b>Loans in USD</b>		
	- Fixed Rate	-	-
	- Floating Rate	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Grand Total (1+2)</b>	<b>1,145.46</b>	<b>941.15</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

The Company regularly scans the Market & Interest Rate Scenario to find appropriate Financial Instruments & negotiates with the Lenders in order to reduce the effective Cost of Funding.

**Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the Company's profit / (loss) before tax is affected through the impact on finance cost with respect to our borrowing, as follows :

Particulars	₹ In Crore (10 Million)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Increase in Interest in Basis Points	+ 25	+ 25
Effect on profit / (loss) before tax	(2.45)	(1.37)
Decrease in Interest in Basis Points	- 25	- 25
Effect on profit / (loss) before tax	2.45	1.37

The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

- c) **Commodity Price Risk and Sensitivity:** The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check cost of material hedged to the extent possible.

**37.2 Credit Risk:**

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

**Trade Receivable:**

Customer Credit Risk is managed based on Company's established policy, procedures and controls. The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Individual risk limits are set accordingly.

The credit risk from the organized and bigger buyers is reduced by securing Bank Guarantees/Letter of Credits/part advance payments/postdated cheques. The Outstanding of different parties are reviewed periodically at different level of organization. The outstanding from the trade segment is secured by two tier security – security deposit from the dealer himself, and our business associates who manage the dealers are also responsible for the outstanding from any of the dealers in their respective region. Impairment analysis is performed based on historical data at each reporting period on an individual basis.



**Notes to the Financial Statement for the Year ended March 31, 2023****The Aging of Trade Receivables is as below:-**

₹ In Crore (10 Million)

Particulars	Outstanding for following periods from due date of Payment						Total
	Neither Due not Impaired	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>							
(i) Undisputed Trade Receivables- considered good							
- Secured	0.80	-	-	-	-	-	0.80
- Unsecured	2.72	1.37	0.01	-	₹ 22,256	-	4.11
<b>S. Total (I)</b>	<b>3.52</b>	<b>1.37</b>	<b>0.01</b>	<b>-</b>	<b>₹ 22,256</b>	<b>-</b>	<b>4.91</b>
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>3.52</b>	<b>1.37</b>	<b>0.01</b>	<b>-</b>	<b>₹ 22,256</b>	<b>-</b>	<b>4.91</b>
<b>As at March 31, 2022</b>							
(i) Undisputed Trade Receivables- considered good							
- Secured	0.19	0.05	-	-	-	-	0.24
- Unsecured	4.06	0.18	₹ 48,106	₹ 22,256	-	-	4.24
<b>S. Total (I)</b>	<b>4.25</b>	<b>0.23</b>	<b>₹ 48,106</b>	<b>₹ 22,256</b>	<b>-</b>	<b>-</b>	<b>4.48</b>
(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>4.25</b>	<b>0.23</b>	<b>₹ 48,106</b>	<b>₹ 22,256</b>	<b>-</b>	<b>-</b>	<b>4.48</b>

**Financial Instruments and Deposits with Banks:**

The Company considers factors such as track record, size of institution, market reputation and service standards to select the bank with which balances and deposits are maintained. Generally, balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operation.

**37.3 Liquidity Risk:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The Company relies on a mix of borrowings, and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowings facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.



**Notes to the Financial Statement for the Year ended March 31, 2023****Maturity Profile of Financial Liabilities:**

The following Table provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

₹ In Crore (10 Million)

S.No.	Particulars	Carrying Amount	Due within 1 Year	Due between 1-5 Years	Due after 5 Years	Total
<b>1</b>	<b>As on 31<sup>st</sup> March, 2023</b>					
	- Borrowings	1,145.46	147.97	760.12	237.37	1,145.46
	- Trade Payables	74.06	72.87	1.19	-	74.06
	- Other Liabilities	141.31	113.97	27.34	-	141.31
	<b>Total</b>	<b>1,360.83</b>	<b>334.81</b>	<b>788.65</b>	<b>237.37</b>	<b>1,360.83</b>
<b>2</b>	<b>As on 31<sup>st</sup> March, 2022</b>					
	- Borrowings	941.15	406.33	292.68	242.14	941.15
	- Trade Payables	67.65	64.43	3.22	-	67.65
	- Other Liabilities	85.49	59.86	25.63	-	85.49
	<b>Total</b>	<b>1,094.29</b>	<b>530.62</b>	<b>321.53</b>	<b>242.14</b>	<b>1,094.29</b>

**The Aging of Trade Payables is as below:-**

₹ In Crore (10 Million)

Particulars	Outstanding for following periods from due date of Payment						Total
	Unbilled Due	Not Due	Upto 1 years	1-2 years	2-3 years	More than 3 years	
<b>As on 31<sup>st</sup> March, 2023</b>							
(i) MSME	-	1.77	0.95	-	-	-	2.72
(ii) Others	19.82	27.20	23.13	0.16	0.29	0.74	71.34
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>19.82</b>	<b>28.97</b>	<b>24.08</b>	<b>0.16</b>	<b>0.29</b>	<b>0.74</b>	<b>74.06</b>
<b>As on 31<sup>st</sup> March, 2022</b>							
(i) MSME	-	1.66	0.31	-	-	-	1.97
(ii) Others	20.61	31.18	10.67	1.82	0.50	0.90	65.68
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>20.61</b>	<b>32.84</b>	<b>10.98</b>	<b>1.82</b>	<b>0.50</b>	<b>0.90</b>	<b>67.65</b>

**38. Capital Risk Management:**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal structure to reduce the cost of capital.



**Notes to the Financial Statement for the Year ended March 31, 2023**

For the purpose of the Company's capital management, capital includes issued capital, preference shares and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

₹ In Crore (10 Million)

Particulars	As at	As at
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Borrowings	1,145.46	941.15
Less: Cash and Cash equivalents (Including Current Investments & other bank balances)	(4.20)	(321.28)
<b>Net debt</b>	<b>1,141.26</b>	<b>619.87</b>
Equity Share Capital	124.56	124.56
Other Equity	221.25	170.00
<b>Total Capital</b>	<b>345.81</b>	<b>294.56</b>
<b>Capital and net debt</b>	<b>1,487.07</b>	<b>914.43</b>
<b>Gearing ratio</b>	<b>77%</b>	<b>68%</b>

The Company monitors capital using a gearing ratio, which is Net Debt divided by Total Capital plus Net Debt. Net Debt is calculated as total borrowings including short term and current maturities of long term debt. No changes were made in the objectives, policies or processes for mandating capital during the year ended March 31, 2023 and March 31, 2022.

**39. Fair Value of Financial Assets and Liabilities:**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

₹ In Crore (10 Million)

	31 <sup>st</sup> March 2023		31 <sup>st</sup> March 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>A. Financial Assets</b>				
<b>(i) At Fair Value through Profit and Loss :-</b>				
- Investments in Mutual Funds	-	-	87.19	87.19
<b>(ii) At Amortized Cost :-</b>				
a) Bank FDs.	0.24	0.24	227.22	227.22
b) Cash & Bank Balances	3.96	3.96	6.87	6.87
c) Trade Receivables	4.91	4.91	4.48	4.48
d) Others	11.80	11.80	8.46	8.46
<b>Total</b>	<b>20.91</b>	<b>20.91</b>	<b>334.22</b>	<b>334.22</b>
<b>B. Financial Liabilities</b>				
<b>(i) At Amortized Cost</b>				
- Borrowings	1,145.46	1,145.46	941.15	941.15
- Trade Payables	74.06	74.06	67.65	67.65
- Other Financial Liabilities	141.31	141.31	85.49	85.49
<b>Total</b>	<b>1,360.83</b>	<b>1,360.83</b>	<b>1,094.29</b>	<b>1,094.29</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****Fair Valuation Techniques:**

The Company maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The Fair Values of the Financial Assets and Liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:-

1. Fair Value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.
3. Fair value of Investments in quoted mutual funds and equity shares are based on quoted market price at the reporting date. The fair value of unquoted Investments in preference shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted Investments in equity shares are estimated on net assets basis.
4. Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
5. The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

**Fair Value Hierarchy:**

The following table provides the fair value measurement hierarchy of Company's assets and liabilities, grouped into Level 1 to Level 3 as described below:

- i. **Level 1** : Quoted prices in active markets.
- ii. **Level 2** : Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- iii. **Level 3** : Inputs that are not based on observable market data.

The following table provides the Fair Value measurement hierarchy of Company's assets and liabilities, grouped into Level 1 as described below:

**(A) Financial Assets**

Particulars	₹ In Crore (10 Million)		
	Level 1	Level 2	Level 3
<b>As at March 31, 2023</b>			
<b>Financial Assets at FVTPL</b>			
- Mutual Funds	-	-	-
<b>Financial Assets at Amortized Cost</b>			
- Bank Fds	-	0.24	-
- Cash & Bank Balances	-	3.96	-
- Trade Receivables	-	-	4.91
- Others	-	-	11.80
<b>Total Financial Assets</b>	<b>-</b>	<b>4.20</b>	<b>16.71</b>
<b>As at March 31, 2022</b>			
<b>Financial Assets at FVTPL</b>			
- Mutual Funds	87.19	-	-
<b>Financial Assets at Amortized Cost</b>			
- Bank Fds	-	227.22	-
- Cash & Bank Balances	-	6.87	-
- Trade Receivables	-	-	4.48
- Others	-	-	8.46
<b>Total Financial Assets</b>	<b>87.19</b>	<b>234.09</b>	<b>12.94</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****(B) Financial Liabilities**

₹ In Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
<b>As at March 31, 2023</b>			
<b>Financial Liabilities at Amortized Cost</b>			
- Borrowings	-	1,145.46	-
- Trade Payables	-	-	74.06
- Other Financial Liabilities	-	-	141.31
<b>Total Financial Liabilities</b>	-	<b>1,145.46</b>	<b>215.37</b>
<b>As at March 31, 2022</b>			
<b>Financial Liabilities at Amortized Cost</b>			
- Borrowings	-	941.15	-
- Trade Payables	-	-	67.65
- Other Financial Liabilities	-	-	85.49
<b>Total Financial Liabilities</b>	-	<b>941.15</b>	<b>153.14</b>

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2023

**40. Segment Information:**

The Company is engaged primarily into manufacturing of Cement. The Company has only one business segment as identified by management namely Cementious Materials. Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Directors of the Company.

**41. Income Tax Expense:****i. Amount recognized in the Statement of Profit & Loss :-**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Current Tax	-	-
Deferred Tax (Gain) / Loss (Relating to origination and reversal of temporary difference)	<b>14.62</b>	16.15
Adjustments in respect of current income tax of previous year	-	-

**ii. Deferred Tax recognized in Other Comprehensive Income (OCI) :-**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Deferred Tax (Gain)/Loss on defined benefit	<b>(0.26)</b>	(0.08)

**iii. Reconciliation of effective tax rate :-**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
<b>Accounting Profit / (Loss) before taxes</b>	<b>49.46</b>	64.50
At applicable Statutory Income Tax Rate	<b>25.17%</b>	25.17%
Computed tax Expense / (Income)	<b>12.45</b>	16.23
<b>Increase/(reduction) in taxes on account of:</b>		
- Income not taxable / exempt from tax (on account of C/F Unabsorbed Depreciation & Business Losses)	<b>(12.45)</b>	(16.23)
- Deferred Tax related to Property, plant & equipment & others	<b>14.62</b>	16.15
<b>Income Tax Expenses / (Income) reported to Profit &amp; Loss</b>	<b>14.62</b>	<b>16.15</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****iv. Reconciliation of Deferred Tax Assets / (Liabilities) (Net):-**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Opening Balance	41.27	57.34
Deferred Tax recognized in Statement of Profit & Loss	(14.62)	(16.15)
Other Comprehensive Income	0.26	0.08
<b>Closing Balance</b>	<b>26.91</b>	<b>41.27</b>

**v. Deferred Tax:**

Deferred Tax relates to the followings:

₹ In Crore (10 Million)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Deferred Tax Assets related to</b>		
Brought Forward losses/depreciation setoff	(8.70)	(11.87)
Disallowance/Allowance (Net) under Income Tax	0.89	1.08
<b>Total Deferred Tax Assets</b>	<b>(7.81)</b>	<b>(10.79)</b>
<b>Deferred Tax Liabilities related to</b>		
Property, Plant & Equipment	(6.55)	(5.28)
<b>Total Deferred Tax Liabilities</b>	<b>(6.55)</b>	<b>(5.28)</b>
Net Total Movement in Statement of Profit & Loss	(14.36)	(16.07)
Movement in Profit & Loss	(14.62)	(16.15)
Movement in OCI	0.26	0.08

**42. Dividends:**

The Company has neither proposed nor declared any dividend for the financial year 2022-23 and 2021-22.

**43. Retirement Benefit Obligations****A. Expense recognized for Defined Contribution Plan**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Company's contribution to Provident Fund	1.88	1.70
Company's contribution to ESI	0.02	0.01
Company's contribution to Superannuation	0.07	0.09
<b>Total</b>	<b>1.97</b>	<b>1.80</b>



**Notes to the Financial Statement for the Year ended March 31, 2023**

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the standalone Balance Sheet as at March 31, 2023 and March 31, 2022, being the respective measurement dates:

**i) Change in Present Value of Defined Benefit Obligation during the year**

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)	Leave encasements (Unfunded)
<b>Present Value of Obligation - April 1, 2021</b>	<b>4.70</b>	<b>2.45</b>
Current service cost	0.53	0.49
Interest cost	0.31	0.16
Benefits paid	(0.88)	(0.68)
Remeasurements - Actuarial loss / (gain)	0.24	0.43
<b>Present Value of Obligation - March 31, 2022</b>	<b>4.90</b>	<b>2.85</b>
Current service cost	0.71	0.66
Interest cost	0.32	0.19
Benefits paid	(0.86)	(0.74)
Remeasurements - Actuarial loss / (gain)	0.92	0.53
<b>Present Value of Obligation - March 31, 2023</b>	<b>5.99</b>	<b>3.48</b>

**ii) Change in Fair Value of Plan Assets – Gratuity**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
<b>Fair Value of Plan Assets at beginning of year</b>	<b>4.76</b>	<b>4.54</b>
Acquisitions / Transfer in / Transfer out	-	-
Expected return on Plan Assets	0.31	0.29
Employer Contributions	0.79	0.88
Benefits paid	(0.86)	(0.88)
Actuarial gain / (loss)	(0.11)	(0.07)
<b>Fair Value of Plan Assets at end of year</b>	<b>4.89</b>	<b>4.76</b>
Present Value of Obligation	5.99	4.90
Net Funded status of Plan	1.10	0.14
Actual Return on Plan Assets	0.20	0.22

**iii) Expenses recognized in Statement of Profit and Loss**

₹ In Crore (10 Million)

Particulars	Gratuity (Funded)	Leave encasements (Unfunded)
Current service cost	0.53	0.49
Interest cost	0.31	0.16
Expected return on Plan Assets	(0.29)	-
Remeasurements - actuarial loss / (gain)	-	0.43
<b>For the year ended March 31, 2022</b>	<b>0.55</b>	<b>1.08</b>
Actual return on Plan Assets	0.22	-
Current service cost	0.71	0.66
Interest cost	0.32	0.19
Expected return on Plan Assets	(0.31)	-
Remeasurements - actuarial loss / (gain)	-	0.53
<b>For the year ended March 31, 2023</b>	<b>0.72</b>	<b>1.37</b>
Actual Return on Plan Assets	0.20	-



**Notes to the Financial Statement for the Year ended March 31, 2023****iv) Recognized in Other Comprehensive Income**

Particulars	₹ In Crore (10 Million)
	<b>Gratuity (Funded)</b>
<b>For the year ended March 31, 2022</b>	
Remeasurements - actuarial loss/ (gain)	0.31
<b>For the year ended March 31, 2023</b>	
Remeasurements - actuarial loss/ (gain)	1.02

**a) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:**

Particulars	₹ In Crore (10 Million)	
	As at year ended March 31, 2023	As at year ended March 31, 2022
Attrition rate	-	-
Discount Rate	<b>7.00%</b>	6.50%
Expected Rate of increase in salary	<b>7.00%</b>	5.50%
Expected Rate of Return on Plan Assets	<b>6.50%</b>	6.50%
Mortality Rate	<b>100% of IALM (2012-14)</b>	100% of IALM (2012-14)
Expected Average remaining working lives of employees (years)	<b>20.13</b>	18.82

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**b) Sensitivity analysis:**

Particulars	₹ In Crore (10 Million)			
	Change in Assumption	Effect on Gratuity obligation	Change in Assumptions	Effect on Leave Encasement obligation
<b>For the year ended March 31, 2022</b>				
Discount rate	+0.50%	(0.20)	+0.50%	(0.16)
	-0.50%	0.22	-0.50%	0.17
Salary Growth Rate	+0.50%	0.20	+0.50%	0.17
	-0.50%	(0.19)	-0.50%	(0.16)
<b>For the year ended March 31, 2023</b>				
Discount rate	+0.50%	(0.29)	+0.50%	(0.21)
	-0.50%	0.30	-0.50%	0.23
Salary Growth Rate	+0.50%	0.30	+0.50%	0.23
	-0.50%	(0.29)	-0.50%	(0.21)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.



**Notes to the Financial Statement for the Year ended March 31, 2023****c) History of experience adjustments is as follows:**

Particulars	₹ In Crore (10 Million)
	Gratuity (Funded)
<b>For the year ended March 31, 2022</b>	
Plan Liabilities - (loss)/gain	0.24
Plan Assets - (loss)/gain	(0.07)
<b>For the year ended March 31, 2023</b>	
Plan Liabilities - (loss)/gain	0.36
Plan Assets - (loss)/gain	(0.11)

**Estimate of expected benefit payments**

Particulars	₹ In Crore (10 Million)
	Gratuity (Funded)
01 Apr 2023 to 31 Mar 2024	0.50
01 Apr 2024 to 31 Mar 2025	0.84
01 Apr 2025 to 31 Mar 2026	0.30
01 Apr 2026 to 31 Mar 2027	0.20
01 Apr 2027 to 31 Mar 2028	0.17
01 Apr 2028 to 31 Mar 2029	0.16
01 Apr 2029 Onwards	3.82

**d) Statement of Employee Benefit Provision**

Particulars	₹ In Crore (10 Million)	
	2022-23	2021-22
Gratuity	5.99	4.90
Leave encashment	3.48	2.85
<b>Total</b>	<b>9.47</b>	<b>7.75</b>

**e) Current and Non-Current Provision for Gratuity and Leave Encashment**

The following table sets out the funded status of the plan and the amounts recognized in the Company's balance sheet.

Particulars	₹ In Crore (10 Million)	
	Gratuity (Funded)	Leave encasements (Unfunded)
<b>For the year ended March 31, 2022</b>		
Current provision	0.89	0.39
Non-current provision	4.01	2.46
<b>Total Provision</b>	<b>4.90</b>	<b>2.85</b>
<b>For the year ended March 31, 2023</b>		
Current provision	0.50	0.32
Non-current provision	5.49	3.16
<b>Total Provision</b>	<b>5.99</b>	<b>3.48</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****f) Employee Benefit Expenses**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Salaries and Wages	31.00	30.02
Costs-Defined Benefit Plan	0.72	0.54
Costs-defined contribution plan	1.97	1.80
Welfare expenses	4.83	3.97
<b>Total</b>	<b>38.52</b>	<b>36.33</b>

**OCI presentation of defined benefit plan**

- Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

**Presentation in Statement of Profit & Loss and Balance Sheet**

- Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.
- Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.
- When there is surplus in defined benefit plan, Company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign Company can use corporate bonds rate.
- The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

**44. Expenses charged to Cost of Material includes:**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Salaries and Wages	1.88	1.57
Contribution to Provident and Other Funds	0.14	0.13
Staff Welfare Expenses	0.28	0.24
Consumption of Stores and Spares	17.44	12.06
Power & Fuel	2.02	1.83
Material Handling	17.50	16.30
Royalty	20.62	19.83
Miscellaneous Expenses	1.17	1.67
<b>Total</b>	<b>61.05</b>	<b>53.63</b>



**Notes to the Financial Statement for the Year ended March 31, 2023****45. Capital work in progress includes Machinery in stock, construction / erection materials, and also includes the following pre-operation expenses pending allocation**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Power & Fuel	0.74	0.41
Salaries & Wages	5.80	1.97
Staff Welfare Expenses	0.03	0.02
Insurance	0.69	0.27
Travelling, Consultancy & Miscellaneous Expenses	0.81	0.97
Finance Cost	31.21	1.28
	<b>39.28</b>	<b>4.92</b>
Add: Expenditure up to previous period	4.06	1.79
Less: Transferred to Fixed Assets	-	2.65
	<b>43.34</b>	<b>4.06</b>

**46. Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances):**

₹ In Crore (10 Million)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Property, Plant & Equipment	334.73	420.75

**47. Contingent Liabilities**

- i. Contingent liabilities in respect of claims not accepted by the Company (including matters in appeals) and not provided for are as follows:

₹ In Crore (10 Million)

S.No.	Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
1.	VAT / GST	1.11	0.42
2.	Income Tax	38.38	-
3.	Other matters	1.87	4.88
		<b>41.36</b>	<b>5.30</b>

- ii. Contingent liability for non-use of jute bags for Cement packing up to 30<sup>th</sup> June, 1997, as per Jute Packaging Materials (Compulsory use of Packaging Commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded Cement Industry from application of the said Order from 1<sup>st</sup> July, 1997.

**48.** The liabilities pertaining to the statutory levies and pending legal cases prior to 01.12.1993 (date of takeover of the cement undertaking from Bajaj Hindustan Limited) will be borne by Bajaj Hindustan Limited.

**49.** Consumption of stores & spares is net of scrap sales ₹ 4.54 Crs. (Previous year - ₹ 3.01 Crs.)



**Notes to the Financial Statement for the Year ended March 31, 2023****50. a) Disclosure in respect of Corporate Social Responsibility Expenditure:**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
Amount required to be spent by the company during the year	0.96	0.17
Amount of expenditure incurred	0.96	0.17
Shortfall at the end of year	Nil	Nil
Total of previous years shortfall	Nil	Nil

**51. Derivative Financial Instruments**

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts (including option contracts - seagull structure) to manage some of its transaction exposures. The foreign exchange forward contracts and foreign exchange option contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to thirty six months.

**Foreign currency risk**

The Company has entered into foreign exchange forward contracts and foreign exchange option contracts with the intention to reduce the foreign exchange risk on repayment of buyer's credit and foreign currency loan, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

**Forward & Option Contract outstanding for the purpose of hedging at the Balance Sheet Date.**

₹ In Crore (10 Million)

Particulars	31 <sup>st</sup> March 2023		31 <sup>st</sup> March 2022	
	F Cy	Amount (₹ Crore)	F Cy	Amount (₹ Crore)
<b>Forward</b>				
1 USD	3.4 Mn	28.88	0.61 Mn	4.64
2 Euro	-	-	0.92 Mn	7.91
<b>Option</b>				
1 USD	-	-	-	-

**52. Based on information available with the Company in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under:**

- i. Principal and Interest amount due and remaining unpaid as at 31<sup>st</sup> March 2023 - ₹ 2.72 Crs. (Previous year - ₹ 1.97 Crs.).
- ii. Interest paid in terms of section 16 of the MSME Act during the year - Nil (Previous year - Nil).
- iii. The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified - Nil (Previous year - Nil).
- iv. Payment made beyond the appointed day during the year - Nil (Previous year - Nil).
- v. Interest Accrued and unpaid as at 31<sup>st</sup> March 2023 - Nil (Previous year - Nil).

**53. The Company's ongoing Cement Expansion Project is to be partly funded from a Proposed Rights Issue of the Company upto an amount of ₹ 450 Crores. JK Lakshmi Cement Ltd (JKLC), the Holding Company has confirmed that it shall subscribe to its Entitlement in the Proposed Rights Issue of the Company. Pending the launch of the Rights Issue, the Company has availed an Unsecured Loan of ₹ 85.40 Crores from JKLC against its Subscription amount in the Proposed Rights Issue of the Company.****54. Some of the Balances of debtors and creditors are in process of confirmation.**

**Notes to the Financial Statement for the Year ended March 31, 2023****55. Amount paid to Auditors:**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
<b>a) Statutory Auditors:-</b>		
(i) Audit Fee	0.03	0.03
(ii) Tax Audit Fee	0.01	0.01
(iii) Other Services	0.01	0.01
	<b>0.05</b>	<b>0.05</b>
<b>b) Cost Auditors:-</b>		
(i) Cost Audit Fee	0.01	0.01
	<b>0.01</b>	<b>0.01</b>

**56. Related Party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during reported periods, are:

**a) Related Party Name and Relationship**

S. No.	Name of Related Party	Country of Incorporation	% Equity Interest	
			As at March 31, 2023	As at March 31, 2022
<b>Holding Company</b>				
a)	JK Lakshmi Cement Ltd. (JKLC)	India	72.54%	72.54%
<b>Fellow Subsidiary</b>				
b)	Hansdeep Industries & Trading Company Limited (HITCL)	India	NIL	NIL
c)	Ram Kanta Properties Private Ltd. (RKPPPL)	India	NIL	NIL

**b) Key Management Personnel (KMP)**

Smt. Vinita Singhania	- Chairperson (Non Executive Director)
Shri Shrivats Singhania	- Director & CEO
Shri O. N. Rai	- Independent and Non Executive Director
Shri Surendra Malhotra	- Independent and Non Executive Director
Shri Vinit Marwaha	- Independent and Non Executive Director
Amb. Bhaswati Mukherjee	- Independent and Non Executive Director
Shri Naveen Kumar Sharma	- Whole Time Director
Shri Pranav Chitre	- Chief Financial Officer
Ms. Poonam Singh	- Company Secretary & Compliance Officer

**c) Holding Company****Key Management Personnel (KMP)**

Shri Bharat Hari Singhania	- Chairman
Smt. Vinita Singhania	- Vice Chairman & Managing Director
Shri S. K. Wali (Ceased to be Whole-time director w.e.f. 1 <sup>st</sup> August'22)	- Whole Time Director
Dr. S. Chouksey (Ceased to be Whole-time director w.e.f. 1 <sup>st</sup> August'22)	- Whole Time Director
Shri Arun Kumar Shukla (w.e.f. 31 <sup>st</sup> August'22)	- President & Director
Shri B.V. Bhargava (Ceased to be director w.e.f. 31 <sup>st</sup> August'22)	- Independent and Non Executive Director



**Notes to the Financial Statement for the Year ended March 31, 2023**

Ms. Bhaswati Mukherjee	- Independent and Non Executive Director
Shri N.G. Khaitan	- Independent and Non Executive Director
Dr. K.N. Memani (Ceased to be director w.e.f. 26 <sup>th</sup> April'22)	- Independent and Non Executive Director
Dr. Raghupati Singhania	- Non Independent and Non Executive Director
Shri Ravi Jhunjhunwala	- Independent and Non Executive Director
Shri Sadhu Ram Bansal (w.e.f. 1 <sup>st</sup> July'22)	- Independent and Non Executive Director
Shri Sudhir A Bidkar	- Chief Financial Officer
Shri Brijesh K Daga (Ceased w.e.f. 1 <sup>st</sup> September'22)	- Sr. VP & Company Secretary
Shri Amit Chaurasia (w.e.f. 1 <sup>st</sup> September'22)	- GM & Company Secretary

**d) Trusts under Common Control**

JK Udaipur Udyog Limited Employees' Group Gratuity Fund Trust

JK Udaipur Udyog Limited Officers' Superannuation Fund Trust

**(I) The following transactions were carried out with related parties in the ordinary course of business:**

₹ In Crore (10 Million)

Sl. No.	Nature of Transactions	2022-23				2021-22			
		JKLC	HITCL	RKPPL	Trusts	JKLC	HITCL	RKPPL	Trusts
(i)	Purchase of Cement /Clinker/ Others	261.93	-	-	-	204.66	-	-	-
(ii)	Sales of Cement /Clinker/Others	571.88	-	-	-	431.90	-	-	-
(iii)	Sharing of Expenses/Expenses paid	3.65	-	-	-	2.92	-	-	-
(iv)	Finance Charges on Inter Corporate Loan	2.05	-	-	-	-	0.30	-	-
(v)	Corporate guarantee taken for Term loan	750.00	-	-	-	350.00	-	-	-
(vi)	Loan Taken	85.40	-	-	-	-	-	-	-
(vii)	Repayment of Loan	10.00	-	-	-	-	10.00	-	-
(viii)	Payment to Trusts	-	-	-	0.90	-	-	-	0.96
(ix)	Rent & Others	-	-	0.42	-	-	-	0.42	-
(x)	<b>Outstanding as at year end:-</b>								
(xi)	<b>- Receivable / (Payable)</b>								
	HITCL	-	-	-	-	-	-	-	-
	JKLC	(129.88)	-	-	-	(6.24)	-	-	-
	RKPPL	-	-	0.11	-	-	-	0.11	-
	Trusts	-	-	-	(1.14)	-	-	-	(0.21)
	Corporate Guarantee Outstanding	(1052.13)	-	-	-	(906.27)	-	-	-

**(II) Remuneration paid to KMPs:**

₹ In Crore (10 Million)

S. No	Particulars	2022-23	2021-22
(i)	Short Term Employee Benefit	5.04	4.21
(ii)	Post Employee Benefit*	-	-
(iii)	Other Payments	0.34	0.15
(iv)	Receivable / (Payable)	(0.01)	(0.01)

\*As the Liability for Gratuity and Leave Encashment are provided on actuarial basis for the Company as a whole. The amount pertaining to KMPs are not included above.

The transactions with related party have been made on terms equivalent to those that prevail in arm's length transactions.



**Notes to the Financial Statement for the Year ended March 31, 2023****57. Impairment Review :**

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions

**Key assumptions used in value-in-use calculations are:-**

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

**58. Events Occurring after the Balance Sheet Date**

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization of these financial statements.

**59. Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company have not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-
  - 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 to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:-
  - 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
- (vi) The Company have no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in Tax assessments under Income Tax Act, 1961.
- (vii) The Quarterly Return of current assets filed by the Company with Banks having no material variances with Books of Account, though the Company has not utilised limit during the year.



**Notes to the Financial Statement for the Year ended March 31, 2023**

## (viii) Struck off Companies

₹ In Crore (10 Million)

S.N.	Name of Struck off Companies	Nature of transactions with Struck off Companies	Balance Outstanding	Relationship with Struck off Company, if any, to be disclosed
<b>A)</b>	<b>Vendors</b>			
1	IGUS (India) Pvt. Ltd.	Payables	Nil	Trade Payable
2	Print Express Private Ltd.	Payables	Nil	Trade Payable

**60. Ratio Analysis and its elements**

S.N.	Particulars	As at March 31, 2023	As at March 31, 2022	% Change	Note
1	Current Ratio	0.50	0.76	-27%	1
2	Debt-Equity Ratio	3.31	3.20	5%	
3	Debt Service Coverage Ratio	1.35	1.75	-19%	
4	Return on Equity Ratio	10.96%	17.89%	-27%	2
5	Inventory Turnover Ratio	8.93	12.47	-29%	3
6	Trade Receivables Turnover Ratio	281	423	-60%	4
7	Trade Payables Turnover Ratio	12.02	11.16	4%	
8	Net Capital Turnover Ratio	3.22	3.24	-0.5%	
9	Net Profit Ratio	3.40%	5.53%	-29%	5
10	Return on Capital Employed	9.15%	11.32%	-12%	
11	Return on Investment	0.37%	2.05%	-170%	6

**Reason for Variance**

- Reduction in Current Ratio is due to deployment of funds raised in March 2022 in the Expansion Project.
- Reduction in Return on Equity is primarily due to lower profits emanating from steep increase in the Fuel & Other Input costs.
- Inventory Turnover Ratio has decreased due to higher inventories of Clinker & Coal/Petcoke stock.
- Trade Receivables Turnover Ratio has decreased due to increase in the Outstanding Receivables as compared to last year.
- Net Profit Ratio has fallen due to reduction in Profit primarily emanating from steep increase in the fuel & Other Input costs.
- Return on Investment is low due to drop in Sale of Investment & deployment of funds raised in the Expansion Project.



**Notes to the Financial Statement for the Year ended March 31, 2023****Elements of Ratio**

<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>
Current Ratio	Current Assets	Current Liabilities
Debt Equity Ratio	Debt (Borrowing)	Total Equity
Debt Service Coverage Ratio	Earnings before Interest, depreciation and taxes (Profit Before Tax + Finance Cost + Depreciation)	Interest + Principal Repayment
Return on Equity Ratio	Profit for the period / year	Average Total Equity
Inventory Turnover Ratio	Net Revenue from Operations	Average Inventory
Trade Receivable Turnover Ratio	Gross Revenue from Operations	Average Trade Receivable
Trade Payable Turnover Ratio	Purchases of Goods & Services	Average Trade Payable
Net Capital Turnover Ratio	Net Revenue from Operations	Average Working Capital
Net Profit Ratio	Profit for the period / year	Revenue from Operations
Return on Capital Employed (Before Tax)	Profit before Tax + Finance Cost - Other Income	Average Capital Employed, Capital Employed = Equity + Debt (Borrowings) - Current Investments - Non Current Investments - CWIP and Capital Advances + Deferred Tax Liability
Return on Investment	Interest Income on fixed deposits + Profit on sale of Investments + Profit on fair valuation of Investments carried at FVTPL.	Average Current Investments + Average Non Current Investments + Average Other bank balances

**61.** Previous year's figures have been regrouped / re-classified wherever necessary and figures less than ₹ 50,000 have been shown as actual in bracket.

Significant Accounting Policies  
Notes on Financial Statements

1  
2-61

As per our report of even date

For and on Behalf of the Board

**For BANSILAL SHAH & COMPANY**

Chartered Accountants  
Firm Registration No.: 000384W

**VINITA SINGHANIA**

Chairperson

**SHRIVATS SINGHANIA**

Director & CEO

**DHRUV SHAH**

Partner  
Membership No.: 223609  
Place: Udaipur  
Date: 11<sup>th</sup> May, 2023

**POONAM SINGH**  
Company Secretary

**PRANAV CHITRE**  
Chief Financial Officer

**ONKAR NATH RAI**  
**SURENDRA MALHOTRA**  
**VINIT MARWAHA**  
**BHASWATI MUKHERJEE**  
**NAVEEN KUMAR SHARMA**

} Directors



**CASH FLOW STATEMENT FOR YEAR ENDED 31<sup>ST</sup> MARCH 2023**

₹ In Crore (10 Million)

Particulars	2022-23	2021-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax and Exceptional Items	50.48	68.41
Adjustments for:		
Depreciation and Amortisation (net)	37.00	35.15
Interest Income	(0.46)	(0.80)
Profit on sale of Assets (net)	(0.05)	(0.03)
Profit on sale of Current Investment (net)	(0.68)	(4.26)
(Gain) / Loss on fair value of Current Investments	0.17	0.39
Finance Costs	47.56	50.26
Foreign Exchange Difference (net)	(0.62)	(0.05)
Exceptional Items	-	(3.60)
Operating Profit before Working Capital changes	133.40	145.47
<b>Adjustments for :</b>		
Trade & Other Receivables	(34.73)	4.02
Inventories	(51.40)	(39.08)
Trade & Other Payables	52.14	32.52
<b>Net Cash from Operating Activities</b>	<b>99.41</b>	<b>142.93</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(589.32)	(254.05)
Sale of Property, Plant & Equipment	0.28	0.03
Interest received	0.92	0.70
(Purchase) / Sale of Investments (net)	87.70	9.42
<b>Net Cash from / (used in) Investing Activities</b>	<b>(500.42)</b>	<b>(243.90)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Listed/Unlisted Non Convertible Debentures	350.00	350.00
Redemption of Unlisted Non Convertible Debentures	(350.00)	-
Proceeds from Long-Term Borrowings	264.15	64.22
Repayment of Long-Term Borrowings	(132.53)	(47.65)
Loan from Related Party	85.40	-
Interest Paid	(45.90)	(44.22)
<b>Net Cash from / (used in) Financing Activities</b>	<b>171.12</b>	<b>322.35</b>
<b>D. Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(229.89)</b>	<b>221.38</b>
<b>E. Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b>234.09</b>	<b>12.71</b>
<b>F. Cash &amp; Cash Equivalents as at the close of the year</b>	<b>4.20</b>	<b>234.09</b>
Notes :		
<b>1</b> Cash and Cash Equivalents include :		
- Cash, Cheques in hand and remittance in transit	0.01	0.01
- Balance with Scheduled Banks	4.19	234.08
	4.20	234.09
<b>2</b> The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.		
<b>3</b> Previous year's figures have been re-arranged and re-casted wherever necessary.		

As per our report of even date

**For BANSILAL SHAH & COMPANY**

Chartered Accountants

Firm Registration No.: 000384W

**DHRUV SHAH**

Partner

Membership No.: 223609

Place: Udaipur

Date: 11<sup>th</sup> May, 2023**POONAM SINGH**  
Company Secretary**PRANAV CHITRE**  
Chief Financial Officer

For and on Behalf of the Board

**VINITA SINGHANIA**

Chairperson

**SHRIVATS SINGHANIA**

Director &amp; CEO

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

} Directors



**UCWL** UDAIPUR CEMENT  
WORKS LIMITED

**PLATINUM  
SUPREMO  
CEMENT**

**PLATINUM  
HEAVY DUTY  
CEMENT**

# घर बनाएं प्लैटिनम स्ट्रॉन्ग

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## Works

Shripati Nagar, CFA, P.O. Dabok, Udaipur- 313022, Rajasthan

## Marketing Offices

**Ahmedabad:** 304, Dev Arc, ISKCON Circle

S.G. Highway, Satellite, Ahmedabad- 380015, Gujarat. Tel: 079-66095100

**Jaipur:** 607-608, 5<sup>th</sup> Floor, Apex Mall, Lal Kothi Scheme  
Tonk Road, Jaipur - 302015, Rajasthan. Tel: 0141-2741102

**Jodhpur:** D-02, 4<sup>th</sup> Floor, Plot No CYB 6, 'Manohar' RIICO Cyber Park  
Heavy Industrial Area, Near Saras Dairy, Jodhpur - 342003, Rajasthan. Mob: 9116110701

**Udaipur:** 23-A, II<sup>nd</sup> Floor, Near Old Income Tax Office, New Fatehpura  
Udaipur - 313001, Rajasthan. Tel: 0294-2560649

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