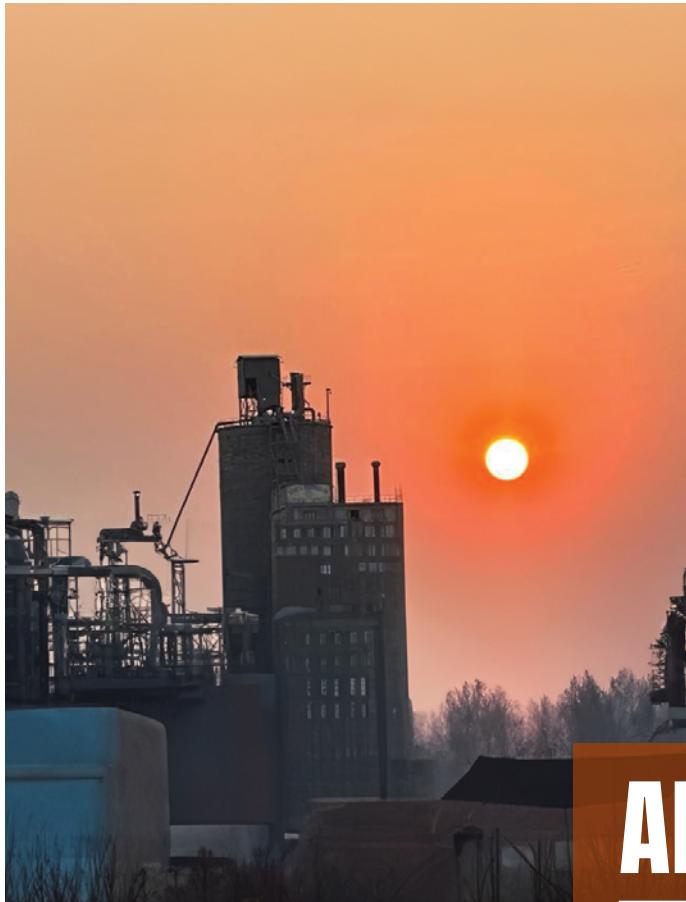




Keerthi Industries Limited

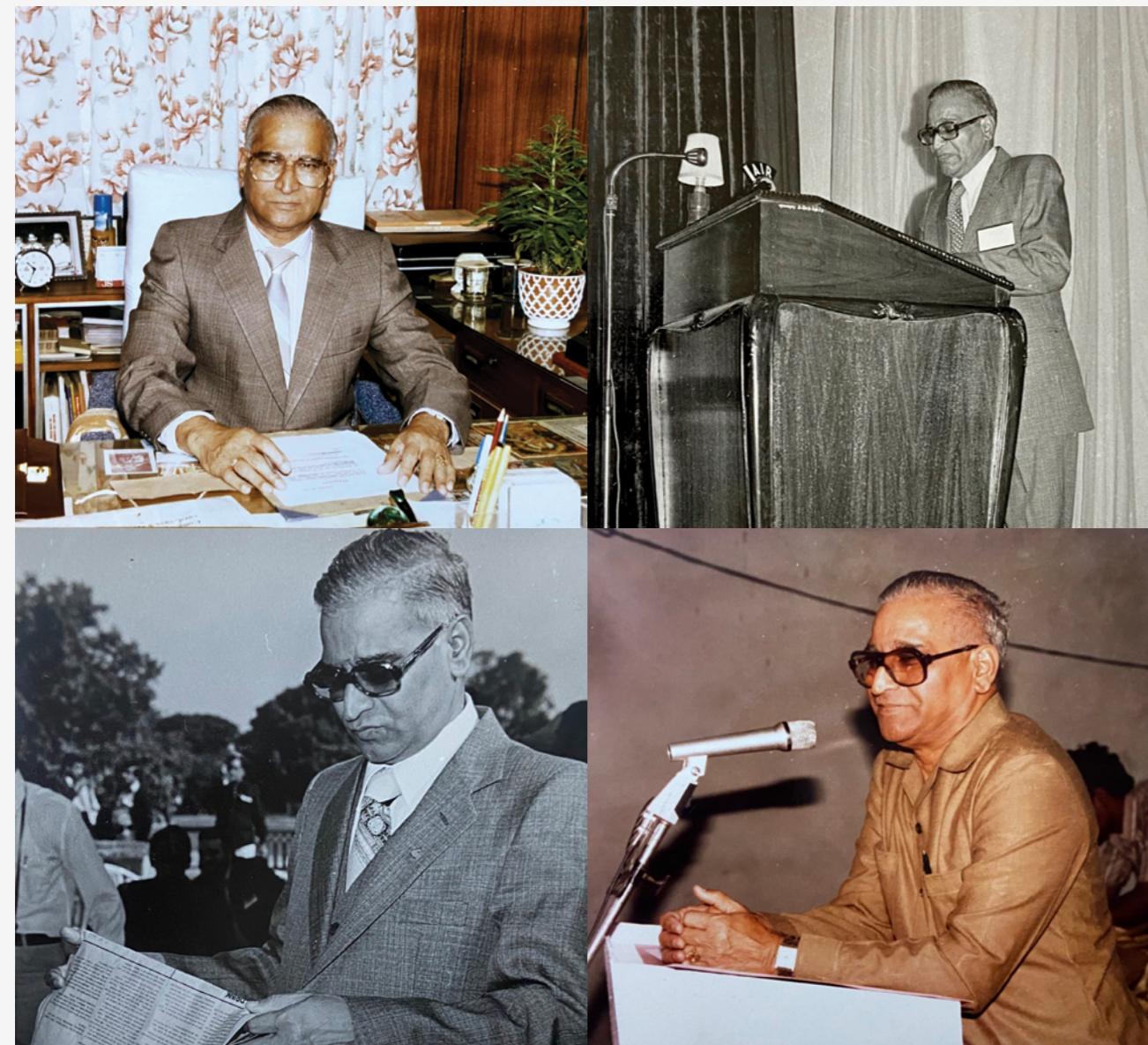


ANNUAL REPORT

2023 - 2024

Suvarna Cements -
Pure Gold among Cements





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In the loving memory of

Shri. J. S. Krishna Murthy
Founder and Chairman,
HBC Group of Companies

"Your vision and dedication continue to inspire and guide us every day. Your legacy lives on in every achievement we make."



A. CORPORATE OVERVIEW



ABOUT KEERTHI INDUSTRIES LIMITED

Keerthi Industries Limited (KEERTHI), originally incorporated as Suvarna cements Limited, on May 17, 1982, and has been engaged in the manufacture of cement in 1986. Company has been registered in BIFR since, 1989. The present Management has taken over in 1999-2000 and turned around the company and made net worth positive. The company was de-registered from BIFR in 2002. In tune with the management's vision of diversifying into other area, the name of the company was changed to Keerthi Industries limited in 2005. Accordingly the company diversified from Cement to Power, Electronics, and Sugar, and distillery. The registered office and Administrative Office of the company is located at Plot No. 40, IDA, Balanagar, Hyderabad-500037, Telangana, India.

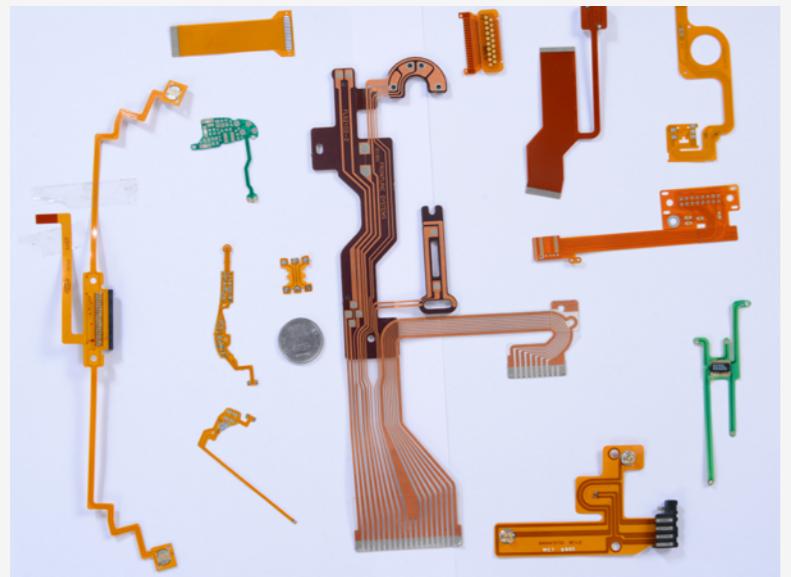
Cement division

is one of the company's core areas which is located at Mellacheruvu (Village & Mandal), Suryapet district- 508246, Telangana. It specializes in manufacturing of 43 & 53 grade OPC and PPC Cement under the brand of Suvarna and is sold in entire south India.

The new management has expanded the capacity from 300TPD to 900TPD in 2003 in the first phase and from 900 TPD to 1600 TPD clinker and 1900 Cement grinding in the second phase which was completed in 2010.

Electronics division

Hyderabad Flextech Limited, is one of the group companies which was incorporated in December 1992 as an 100% Export Oriented Unit under Electronic Hardware Technology Park Scheme, Ministry of Electronics, Government of India. The unit manufactures Flexible PCB & Rigid PCBs and supplies them to worldwide clients. Using state of the art technology, the manufactured PCBs are supplied to critical medical and defense applications. The company has been strategically merged with Keerthi Industries limited in the year 2010.



LEADERSHIP MESSAGES

Dear Shareholders,

As the Chairperson of Keerthi Industries Limited, I am honored to share insights into our company's performance this year. Representing a company with a distinguished 42-year legacy, I take immense pride in our history of quality and resilience which has earned the trust of our clients, employees, and shareholders. At Keerthi Industries, we have established a reputation for excellence through our flagship product, Suvarna Cement, and have made significant advancements in our electronics division.

However, the past financial year has posed significant challenges for us, resulting in a financial loss at year-end. While this outcome is undoubtedly disheartening, it has also given us valuable insights and an opportunity to re-evaluate our operational strategies and secure our foundation for future growth.



Current Challenges and Performance Review

The recent challenging market conditions have touched industries everywhere, and Keerthi Industries has not been immune. The economic and political shifts at our state level have particularly affected the construction sector, decreasing demand for our cement products. The shortage of coal and associated price increases also affected our profitability.

Due to market instability and lower construction activities in both states of Telangana and Andhra the cement consumption has come down. In addition to this cost of fuel has increased. Due to Effect of all these factors Cement sales fell down bringing down the profitability.

Additionally, our electronics division has faced some demand drops as our global clients sort out their COVID-19-related inventory and supply chain disruptions. Despite these challenges, we have persistently upheld our commitment to quality and customer satisfaction.

Strategic Initiatives and Future Prospects

As we navigate through these challenging times, I want to assure you that keerthi industries is steadfast in its commitment to emerging stronger and more resilient. Our future prospects are rooted in several key strategic initiatives:

Advancements in Cement Production

To modernize the plant on par with other modern cement plants, Vertical Raw Mix grinding mill is installed and commissioned. The specific power consumption has come down by 10 KWH/Ton of cement which is a remarkable cost saving effort. In addition to this most of the plant operations are shifted to centralized control room with sophisticated computerization. Quality of the product has improved because of this modernization. Hence the cement quality is on par with modern major cement plants.

Growth in the Electronics Sector

The demand for bare PCBs is growing in India because of recent "Make in India" efforts as well as the shift of global manufacturers to the "China plus one" policy. We will strategically invest Rs. 2.78 crores on account of SPECS Project over the next 2-3 years for modernizing existing machinery as well as adding new capabilities to maintain our lead in flexible PCB manufacturing and to add Rigid multi-layer capabilities.

Continued focus on cost Management

The current financial setbacks of the past year have vindicated our continuous focus on cost management measures and refining our operations. We will continue our year-on-year improvements to become more efficient by streamlining processes and minimizing waste. This focus on operational excellence will ensure we remain competitive and financially healthy in the long run.

Employee Growth and Welfare

Our employees are our greatest strength. We will remain committed to providing a safe, nurturing work environment that emphasizes ongoing learning and professional development. By investing in our team members, we ensure that we have a highly skilled and enthusiastic workforce ready to drive our success in the future.

Conclusion

In closing, I sincerely thank our shareholders for your steadfast support and trust in Keerthi Industries. Despite the challenges we faced over the past year, we are more determined than ever to transform these obstacles into opportunities and secure a brighter future for our company. With a clear vision, strategic initiatives underway, and the collective effort of our dedicated team, I am confident that Keerthi Industries will overcome these challenges and achieve sustainable growth and profitability.

Thank you for your continued belief in our journey. Together, we will shape a prosperous future for Keerthi Industries Limited.

Warm regards,

Triveni Jasti

Chairperson & Whole Time Director

Dear Shareholders,

I am honored to present the Annual Report for FY 2023-24, which reflects our entire team's firm dedication and hard work.

Reflecting on the past year, it is evident that we encountered significant challenges. The financial year was tough, and we faced considerable losses. However, these difficulties have only strengthened our determination and revealed new opportunities for growth and creativity.

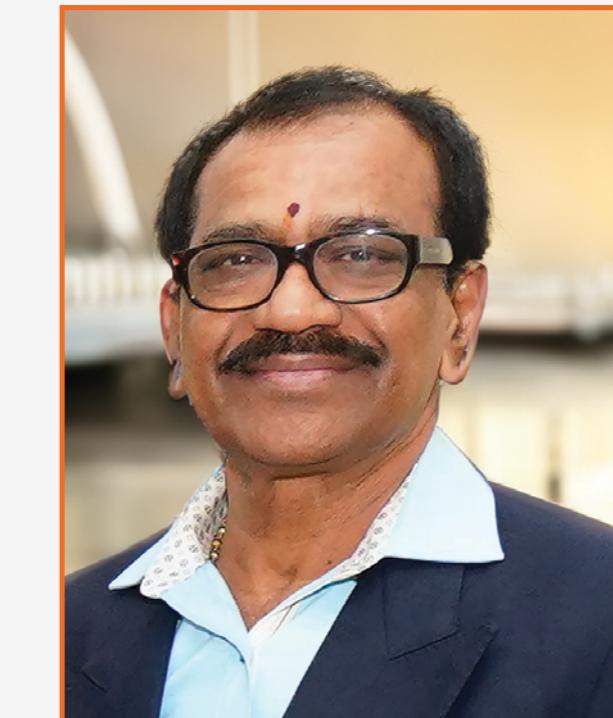
Looking to the future, I am optimistic and confident in our strategic plans to recover from recent challenges and embrace new opportunities. We are focusing on several key areas to ensure our growth. Our cement manufacturing plants have maintained safe operations, with an increased emphasis on safety protocols. Furthermore, we have prioritized improving instrumentation and upgrading infrastructure at all our facilities. Our electronic division started the modernization efforts and will continue to execute them. We are positioning ourselves to take advantage of the forecasted growth in electronics manufacturing in India.

I would like to express my gratitude to the Members of the Board for their unwavering support and guidance throughout the year. On behalf of the Board of Directors, I extend heartfelt thanks to all our stakeholders—our customers, shareholders, banking partners, channel partners, and the government—for supporting us in our journey. I am incredibly grateful to my colleagues at the factories and offices of Keerthi Industries for ensuring another successful year of operations. With your continued support and the blessings of the almighty, I eagerly look forward to the coming year.

Warm regards,

Seshagiri Rao Jasti

Managing Director





IN-DEPTH PERFORMANCE ANALYSIS OF KEERTHI INDUSTRIES LIMITED

Sales Performance Insights

For the quarter ending March 2024, Keerthi Industries reported a total sales volume of 105,560 MTs, indicating a need for strategic evaluation due to a decrease from the previous year's 139,608 MTs. Despite this, a month-by-month breakdown reveals significant proactive engagement in the market. Notably, April 2023 saw a dispatch of 41,169 MTs, marking an increase of over 6,000 MTs from the previous year.

Detailed Order and Dispatch Analysis

Keerthi Industries has shown commendable operational efficiency and responsiveness to market demands:

1. Quarterly Sales Performance

April 2023: There was an increase in orders to approximately 41,169 MTs from about 35,131 MTs in April 2023, reflecting a strategic uptick and demonstrating robust growth.

May 2023: Dispatches were notably higher at over 40,290 MTs compared to around 36,380 MTs in May 2023, indicating effective inventory and delivery management.

June 2023: Despite a slight decrease in dispatches to around 42,200 MTs from approximately 43,880 MTs in June 2023, the overall responsiveness highlights strategic market handling.

July 2023: Sales for July rose to 32,880 MTs from 29,300 MTs, reflecting an aggressive push in market penetration and sales campaigns that successfully attracted more business.

August 2023: The company further increased its sales in August to 38,903 MTs from 33,397 MTs, showcasing its ability to capitalize on market opportunities during peak sales periods.

September 2023: There was a decrease in sales to 31,860 MTs from 39,845 MTs, which might suggest a seasonal fluctuation or market saturation that the company needs to address.

October 2023: Sales slightly decreased to 47,823 MTs from 49,185 MTs. This minor drop indicates market challenges that the company could be facing during this period.

November 2023: A more notable decrease occurred in November, with sales dropping to 36,607 MTs from 49,340 MTs, highlighting potential issues in market demand or competitive pressures.

December 2023: December saw sales figures of 34,940 MTs, down from 47,835 MTs the previous year. This decline could be indicative of typical end-year market slowdowns.

January 2024: The new year started with sales of 32,080 MTs, a decrease from 39,285 MTs, suggesting that the company may need to revise

its sales strategies to enhance performance at the start of the fiscal year.

February 2024: In February, sales were recorded at 37,325 MTs, a slight decrease from 49,195 MTs, which might reflect changing market dynamics or customer buying patterns.

March 2024: March ended with sales totalling 36,215 MTs, down from 51,130 MTs in the previous period. This shows a need for strategic adjustments to counteract the end-of-quarter sales dip.

Annual Sales Total: Keerthi Industries achieved total sales of 452,230 metric tons over the year, indicating robust efforts amidst challenging market conditions.

2. Annual Sales Performance

Over the annual period ending March 31, 2024, Keerthi Industries reported a total sales volume of 452,227.486 MTs. This figure, while showing a slight decrease from the previous year, is indicative of the company's sustained market presence and competitiveness amid challenging economic conditions. The ability to achieve such sales volumes highlights Keerthi Industries' strong customer base, reliable distribution networks, and successful adaptation to external market pressures, underlining its stable foundation and potential for future growth.

Strategic Marketing and Operational Initiatives

Keerthi Industries actively enhances its dealer relationships and marketing strategies through strategic meetings, which are essential for aligning company goals with market dynamics. These discussions involve analysing market trends and competitor activities to optimise sales strategies and reinforce dealer loyalty. Such collaborations not only improve sales processes but also foster mutual growth, ensuring dealers are motivated and well-supported, which ultimately strengthens market penetration and stability.

Keerthi Industries Limited Market Outlook

With an expansive network of approximately 290 dealers and a proactive approach to addressing market demands, Keerthi Industries has demonstrated both adaptability and strategic foresight. The detailed analysis of specific months, such as April and May, emphasises the company's ability to exceed market expectations, positioning it well for sustained growth and leadership in the industry.

CORPORATE INFORMATION:

Board of Directors

- | | | |
|---|---|--|
| 1 Mrs. J. Triveni
Executive Chairperson & Whole Time Director | 2 Mr. J. S. Rao
Managing Director | 3 Mr. J. Sivaram Prasad
Independent Director |
| 4 Mr. K. Harishchandra Prasad
Independent Director | 5 Mr. Boddu Venkata Subbaiah
Independent Director | |
| 6 Mr. Jasti Venkata Krishna
Non-executive Director | 7 Mr. Ramakrishna Prasad Musunuri (w.e.f.: 01.07.2023)
Independent Director | |

Chief Operating Officer (COO)

Mrs. J. Sarada Govardhini

Chief Financial Officer (CFO)

Mr. Y. Sadashiva Rao

Company Secretary & Compliance Officer

Mr. Arun Kumar Yadav

(upto November 07, 2023)

Ms. Ashdeep Kaur

w.e.f. (March 06, 2024)

Registered Office & (Electronic Division Factory)

Plot No.40, I.D.A, Balanagar,
Hyderabad- 500037
CIN: L11100TG1982PLC003492
Tel: 040-23076543
E-mail ID: kilinvestorservices@gmail.com
Website: www.keerthiindustries.com

Factory (Cement Division)

Mellacheruvu (Village & Mandal)
Suryapet District
Telangana-508246.
Tel: 08683-226028.

Bankers

Axis Bank Limited

Statutory Auditors

M/s. Brahmayya & Co.
Chartered Accountants
#403 & 404, Golden Green Appartments,
Irrum Manzil Colony, Hyderabad – 500082
Ph: 040-23370002/4
Email: hydbrahmayya@gmail.com

Cost Auditors

M/s. Vasireddy & Associates
Cost Accountants
Flat No. 308, Swastik Residency Apartments,
Kukatpally, Hyderabad- 500072
Mobile No: +91 9866984869
Email: arunbabuvasireddy@gmail.com

Secretarial Auditors

M/s VCSR & Associates
Company Secretaries
8-3-945, 3rd Floor, 305 A&B
Pancom Business Centre
Ameerpet, Hyderabad- 500073
Tel. 040-40078155
E-mail: chveeru@gmail.com

Internal Auditors

M/s Pavuluri & Co
Chartered Accountants
Plot No. 48, Flat No. 301, MICASA,
Phase- I, Kavuri Hills, Hyderabad- 500033
Tel. 040-29702638
E-mail: mail@pavuluriandco.com

Registrar & Share Transfer Agents (RTA)

M/s. XL Softtech systems Limited
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500 034
Tel: 040-23545913/14/15
mail: xlfield@gmail.com
Website: www.xlsofttech.com

ISIN

INE145L01012

B. STATUTORY REPORTS



MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. OVERVIEW OF INDUSTRY

Keerthi Industries mainly operates in two business segments;
(a) Cement, and (b) Electronics.

(a) CEMENT

We operate one integrated cement plants in the States of Telangana. This segment contributes more than 90% of the total Turnover of the Company vis-à-vis other segments of the Company. We sell cement under the brand "Suvarna Cements", one of the leading brands in South India.

The Company has installed modern Vertical Raw Mills (VRM) in place of erstwhile Raw Ball mills and run under trial basic it will benefited by save cost of production, low pollution, less chances of accident as the VRM is operated from Control Room by skilled employees, save running hours and it will consumes less power and fuel.

(b) ELECTRONICS

Your Company is one of the few companies specialized in manufacturing flexible Printed Circuit Boards (PCB) in India. The Electronic Industry is looking up and doing well, giving a scope for PCB

industry to expand. There appears to be some improvement in the usage of flex circuits in India as new designers have started involving them for prototype manufacturing. The segment has good improvement in its operations during the financial year with strong demand from their regular consumers. Focus on quality and customer service, improved supply chain mechanism is expected to give strong push to company's operations in the upcoming years.

The Board of Directors of the Company at their meeting held on 14.08.2021 and 10.02.2023 have approved to modernize the process of manufacturing Printed Circuit Boards with an estimated revised project cost from Rs. 6 Crores to Rs. 10 crores under the scheme for promotion of manufacturing of Electronics components and Semiconductors (SPECS) of the Ministry of Electronics and Information Technology (MeitY) of the Government of India.



2. OPPORTUNITIES & OUTLOOK

While global economic growth is expected to moderate further in 2023 before marginally increasing in 2024, India is likely to grow 6.0%-6.5% in FY 2024, the fastest among major economies in the world. Higher public sector capex, coupled with fresh capital investments by the private sector, will help drive medium-term growth, while digitalisation and efficiency-enhancing reforms will enhance productivity. Further, India's transition to clean energy and mobility through green hydrogen and electric vehicles provides significant investment opportunities. Semiconductors and IT product manufacturing are expected to position India attractively in global trade.

The Government of India is strongly focused on infrastructure development to boost economic growth and is aiming for 100 smart cities. The Government also intends to expand the capacity of railways and the facilities for handling and storage to ease the transportation of cement and reduce transportation cost. These measures would lead to an increased construction activity, thereby boosting cement demand. The cement demand in India is estimated to cross 500 MT by FY 2027. As India has a high quantity and quality of limestone deposits throughout the country, the cement industry promises a high growth potential.

The long-term growth drivers of the economy remain intact coupled with a large and fast-growing middle-class driving consumer spending. The rapidly growing domestic consumer market as well as the large industrial sector have made India an important investment destination for a wide range of multinationals across manufacturing, infrastructure, and services. Further, India is fast becoming the start-up capital of the world, attracting sizeable foreign investments, driven by its young population and technology edge. However, a complex interplay of geopolitical events including the neighbouring countries, high inflation and consequently elevated interest rates could pose risks to future economic growth.

(a) CEMENT DIVISION

Industry Structure and Developments

India is the world's second-largest cement producer, accounting for over 7% of the global cement installed capacity. The housing sector accounts for majority of India's cement consumption, followed by the infrastructure sector, and commercial and industrial building constructions.

Outlook for cement sectors is favourable on the back of higher growth opportunities in the housing and infrastructure segments. With a busy construction season ahead with the pre-election spending kicking in, the Industry is expected to see a volume growth of 6-8% going forward and is likely to reach ~390-400 million tonnes.

Opportunities

Despite mounting inflation and a large number of capital expenditure projects in progress, it expects cement company profits to recover due to slowing increases in energy costs, according to the Press Trust of India. The current prediction for the 2025 financial year follows a growth estimate of 9% in the 2024 financial year.

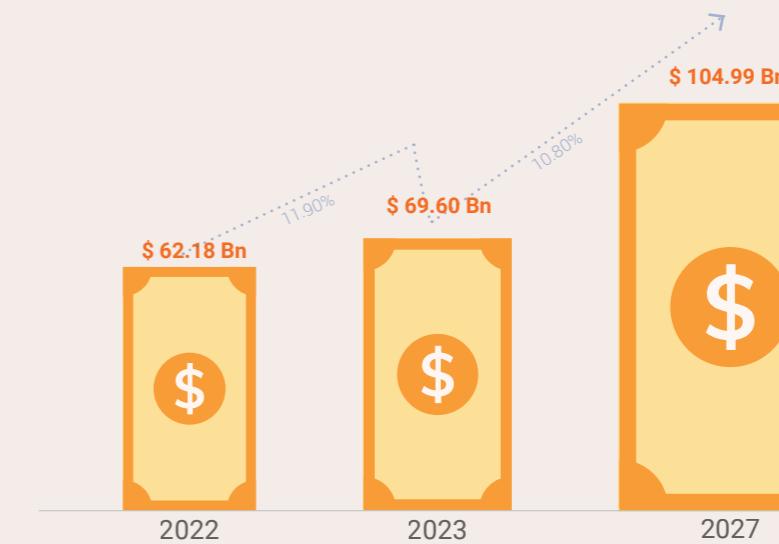
The primary demand driver for the cement industry will continue to be India's expanding housing sector, which normally accounts for 65% of the country's total cement consumption. The Union Budget for the year 2023-24 has an outlay for PM Awas Yojana, which is being enhanced by 66% to over ₹ 79,000 Crores (US\$ 9.6 billion) to build affordable houses in urban and rural India. India built 12,000 kilometres of roadways in 2022, and this momentum is projected to continue in 2023 and 2024, supported by a number of government's programmes, which would further increase cement demand.

The cement demand in FY2024, though started on a muted note because of the inflationary environment, picked up pace in the second half as global raw material prices stabilised. Cement volumes grew by 8-9% in FY2024 to 380-385 million tonne, driven by housing demand, both rural and urban, and the infrastructure sector. Cement manufacturers are

wary of further increasing their prices and this is leading to an impact on their profitability margins. Cost optimisation through tech enablement and innovating manufacturing processes have become extremely important for firms to sustain in the long run.

(b) ELECTRONIC DIVISION

Industry Structure and Developments



The global PCB (printed circuit board) market size grew from US \$ 62.18 Billion in 2022 to US \$ 69.60 Billion in 2023 at a compound annual growth rate is 11.90%. and it is expected to grow to US \$ 104.99 Billion in 2027 at a compound annual growth rate is 10.80%.

Indian PCB (Printed Circuit Board) Market

The Indian PCB (printed circuit board) market size reached US\$ 4.5 Billion in 2022. Looking forward, the analyst expects the market to reach US\$ 11.8 Billion by 2028, exhibiting a growth rate (CAGR) of 16.6% during 2023-2028. The rising utilization in consumer electronic products, increasing application in electric vehicles (EVs), and favorable government policies represent some of the key factors driving the market. India represents one of the largest and fastest growing consumer electronics market in the Asia Pacific region.

Electronics industry is one of the largest global industries and form an integral part of several industries including Consumer Electronics, Medical equipment, IT, Telecom, Strategic Electronics (Defence, Space, and Aerospace), Industrial, & Mobility.

The Government of India is strongly encouraging the manufacturing and usage of PCBs in the country. It has launched many initiatives such as 'Make in India', 'Digital India' Specs Scheme of Meity etc. Under these schemes, the government aims to encourage manufacturers to set up more local plants in the country by easing tax regime, reducing bureaucratic hurdles, etc. This is expected to bring in significant achievement in various end-use industries (automotive, electrical, etc.), thereby creating a positive impact on the overall PCB demand.

In line with the government initiative your company started modernising the process of manufacturing Printed Circuit Boards with an estimated revised project cost of Rs. 10 crores under the scheme for promotion of manufacturing of Electronics components and Semiconductors (SPECs) of the Ministry of Electronics and Information Technology (MeitY) of the Government of India. Popularly known as 25% Subsidize Scheme.

Opportunities

Electronics are a global driver for the world's economy. They are present in everything from life-saving medical equipment to safety and security systems, telecommunications, and automobiles. Electronics manufacturing involves significant job creation within the industry itself as well as in other industries through improved productivity and constant innovation. Applications such as wearables, augmented and virtual reality, and high-end graphics and video are just a few of the electronics-based innovations coming our way.

Favorable government policies represent one of the primary drivers increasing the sales of PCBs in India. The Government of India is encouraging the manufacturing and utilization of PCBs across the country by offering various initiatives, such as Make in India and Digital India. In addition to this, it is supporting manufacturers to set up more local plants in the country by providing easy tax regime and reducing bureaucratic hurdles.

India is one of the largest consumer of electronic products in Asia-Pacific region and the third largest start-up hub coupled with strong research and development (R&D) ecosystem. Bengaluru and Hyderabad are ranked among the top 50 start-up cities in 2021. Your Company is one of the few companies specialized in manufacturing flexible printed circuit boards in South India. Your company has shown a raising tone even in this hardship time. Your Company is focusing on modernizing the manufacturing processes thereby aiming to take up new projects to improve the revenue in this segment.



The Government of India is strongly encouraging the manufacturing and usage of PCBs in the country. It has launched many initiatives such as 'Make in India', 'Digital India' Specs Scheme of Meity etc.

3. RISKS, CONCERN & THREATS

Risks are unavoidable aspect of doing business. In fact, fructification of certain risks also sometimes presents tactical opportunities. However, with a view to manage its risks appropriately in the long term, the Company actively identify, analyze and address key risks through a robust risk management programme. The Company has a strong risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. Our commitment to strong ethical values and high levels of personal and organizational integrity adds a further layer of risk mitigation to our operations.

Your Company has made various efforts to increase its market presence and market share in its natural markets and in the markets that are more economically beneficial. It is putting all efforts to considerably shrink the lead distances to optimise logistics cost further and increase the share of blended cement in its product portfolio. These measures would provide the Company cushion to absorb the impact of increase in various costs.

(a) CEMENT DIVISION

Concerns of the Cement division are high cost of Power and Coal, high freight cost, inadequate

infrastructure, non-availability of Wagons, and poor quality of coal and heavy taxes / royalty levies and heavy finance cost as the cements industry is the capital intensive industry. The Operations of Cement companies in Telangana and Andhra Pradesh suffer due to availability of Coal, Fuel, lower realizations and lower demand in the state.

Increase in the costs of raw material, power and fuel due to inflation or global price trends may impact profitability. The Company is employing various means to reduce the impact of rising costs through better fuel sourcing, dynamic fuel mix capabilities to capitalise on changing trends in price and the use of alternative fuels. A focus on achieving better operating efficiencies and reducing coal and power consumption continues as a way of life. The Company continues to evaluate and assess long term strategic solutions from waste heat recovery systems to solar energy, from alternate fuel to alternate sources, etc. to manage costs in the medium and long term.

(b) ELECTRONIC DIVISION

The complexity of the PCB design and manufacturing processes means there are numerous opportunities for PCB failure issues to arise. Some of these failures are a result of design oversights, such as insufficient clearances or incorrect measurements, which can negatively affect the functionality of the finished product. Others may result from problems in the manufacturing process, such as drilling errors or over-etching, which can be equally catastrophic.

There is a threat from major domestic and foreign competitors who, in order to maintain their scale of production, have installed higher production capacity, offer lower prices, better payment terms and other incentives. Due to delay in upgrading our manufacturing facilities because of financial constraints our market share may be affected.

The company is also exposed to risks across its entire range of business operations i.e. Lossing of major customers due to inability to meet the customer demands on time due to lack of modern machinery and equipment.

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company believes that a strong Internal Control framework is an important pillar of Corporate Governance. The Company has a well-defined Internal Control System commensurate with the size, scale and complexities of the operations to support the Business Operations and also to ensure Statutory Compliances. These Internal Control Systems are periodically tested for their effectiveness by the Management and by the Statutory & Internal Auditors of the Company. These Internal Control Systems were found to be operating effectively during the year

The company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition. Further all transactions entered into by the company are duly authorized and recorded correctly. M/s. Pavuluri & Co., Chartered Accountants, Hyderabad has been working as the Internal Auditors of the company. The Internal Auditors are submitting reports to the Audit Committee on a Quarterly basis.

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 analyzed and corrective actions are taken to minimize 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 Statutes at its different locations.

5. SEGMENT WISE OR PRODUCT WISE PERFORMANCE

It is discussed in the Directors Report under the head operations in the Director's Report.

6. DETAILS OF SIGNIFICANT CHANGES

There has been no change of 25% or more in the key financial ratios as compared to the immediately

OUR BUSINESS

The breadth and depth of 'Keerthi' expertise has been built over last 10 years through a unique combination of long-standing customer relationships, investments in people and through continuous investments in new technologies.

The Company has been steadily expanding its customer base, infrastructure, service lines and industries. The growth momentum of the Company continues to deliver strong financial results, attract top domestic talent and win new customers and strengthen existing customer relationships. The Company has decided to concentrate and put the resources of the Company in its core business and in those segments which are likely to be profitable in coming years.

previous financial year.

7. HUMAN RESOURCE - "OUR PEOPLE, OUR BIGGEST STRENGTH"

Our people are our biggest strength and the cornerstone of our business which we have always strived and believed to create a work environment of care, trust and respect.

The company enjoys very cordial industrial relations, due to which there is very low employee/ labour turnover in the company. You will be happy to note that ever since the inception of the Company, there were no strikes, lockouts, lay-offs, retrenchments, etc.

On the human resources front, our HR policies and guidelines are designed in a way that encourages teamwork and synergistic approach thereby strengthening agility, future readiness and enhancing employee experience. Our inclusive and progressive culture helps to motivate employees, strengthen the leadership pipeline, attract young talent, deliver results, and grow market share and the operating profitability of the company. Company is well prepared digitally to take on the challenges of the new world by enhancing latest digital capability building of our people through trainings and certification programmes. HR processes

like Individual Development Plan, Recruitment & E-Joining, Performance Management System, Confirmation and Separation have been digitalized for enhanced productivity and employee experience.

Continuing with the Vision & Mission focused on Human Capital, Customers, Innovation, Technology, the Company has kept pace with competition and exceeded in specific domains. The journey of nurturing, grooming and preparing internal talents with the development opportunities, Company organized Development Centre in partnership with world leaders across the levels with post assessment support through world renowned assessment development centre agency for talent management to build a pipeline of young leaders for future readiness and strengthen its 'Grow Your Own Timber' approach for leadership roles by rewarding and providing a well-defined growth path.

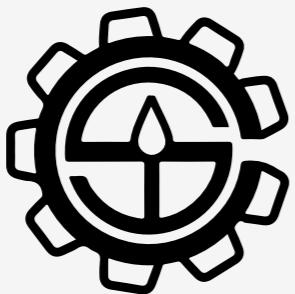
Millennials are encouraged, prepared, and enabled to manage bigger chunk of areas and markets. It is aligned with assessing expectations of young generation and incorporating in the culture/HR strategy especially career growth strategies, R&R strategy to keep up with ambitions of employees/ new age workforce. The details of Number of people employed are given in **Annexure - C** to Board's Report.

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international

markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and another incidental factor.

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.



KEERTHI INDUSTRIES LIMITED

CIN: L11100TG1982PLC003492

Regd. Off: Plot No. 40, IDA, Balanagar,
Hyderabad -500037, Telangana

Tel.: 040-23078748

Web: www.keerthiindustries.com

Email: kilinvestorservices@gmail.com

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty First (41st) Annual General Meeting ('**AGM**') of the Members of Keerthi Industries Limited ('**the Company**') is scheduled to be held on **Monday, August 05, 2024 at 11.00 AM IST** through Video Conferencing/ Other Audio Visual Means ('**VC/OAVM**'), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2024, together with the reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Venkata Krishna Jasti (DIN: 09041310) who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of Remuneration payable to Cost Auditors for the Financial Year 2024-25.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 (a) of Companies (Audit and Auditors Rules), 2014, and as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25.05.2024, the remuneration payable to

M/s. Vasireddy & Associates, Cost Accountants, Hyderabad (FRN: 004181), to conduct the audit of the Cost Records of the Company for the financial year 2024-2025, amounting to proposed Rs. 55,000/- (Rupees Fifty-Five Thousand only) plus re-imbursement of out-of-pocket expenses incurred by them in connection with the aforesaid audit and GST as may be applicable be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. Appointment of Mr. Seetha Ramanjaneyulu Thagirisa (DIN: 10640532) as an Independent Director, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from May 26, 2024

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 including the Rules framed thereunder and all applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Thagirisa Seetha Ramanjaneyulu (DIN: 10640532) who was appointed as an Additional Director (Independent Non-Executive Category) of the Company with effect from May 26, 2024 under Section 161 of the Act and who holds office upto the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years commencing from May 26, 2024 to May 25, 2029."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. Appointment of Mr. Krishna Prasad Gondi (DIN: 00020179) as an Independent Director, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from July 07, 2024

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 including the Rules framed thereunder and all applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Krishna Prasad Gondi (DIN: 00020179) who was appointed as an Additional Director (Independent Non-Executive Category) of the Company with effect from July 07, 2024 under Section 161 of the Act and who holds office upto the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years commencing from July 07, 2024 to July 06, 2029."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors
For Keerthi Industries Limited

Place: Hyderabad
Date: 06.07.2024

Ashdeep Kaur
Company Secretary & Compliance Officer

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (**'the Act'**), in respect of the Special Businesses set above is annexed hereto.
2. In terms of Section 152 of the Act, Mr. Venkata Krishna Jasti (DIN: 09041310) retires by rotation at the meeting and being eligible, offers himself for re-appointment.
3. The Ministry of Corporate Affairs (**'MCA'**), vide General Circular No. 09/2023 dated September 25, 2023 has permitted holding of AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) on or before September 30, 2024. Hence, incompliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and MCA Circulars and SEBI Circulars, the 41st AGM of the Company is being held through VC / OAVM on Monday, August 05, 2024 at 11:00 A.M. (IST).
4. In compliance of Section 20 of the Act and further to the aforesaid MCA Circular and SEBI Circular, Notice of the 41st AGM along with the Annual Report 2023-24 is being sent only through electronic mode to the Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's Website: www.keerthiindustries.com and Website of the Stock Exchange i.e., BSE Limited: www.bseindia.com, and on the Website of CDSL: <https://www.evotingindia.com>
5. Green Initiative: To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all the communications including Annual Report, Notices, Circulars etc. from the Company electronically.
6. A Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his / her behalf and the Proxy need not

be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate Members intending to authorize their Representatives to participate and vote at the AGM are requested to upload a copy of the Board Resolution/Authorisation Letter on the E-Voting Portal or send to the Company at kilinvestorservices@gmail.com.

8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act. As per Regulation 40 of the SEBI Listing Regulations, as amended, Securities of Listed Entities can be transferred only in Dematerialised form with effect from April 1 2019, except in case of transmission or transposition of Securities. In view of this, Members holding Shares in Physical Form are requested to consider converting their holdings to Dematerialised form. Members can contact M/s XL Softech Systems Limited, Registrar and Share Transfer Agents of the Company, ('RTA' or 'Registrar') situated at Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500034, Tel: 040-23545913 / 14. E-mail: xlfield@gmail.com and website of the Registrar: www.xlsofttech.com for assistance in this regard

9. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, E-mail Address, Telephone/Mobile Numbers, Permanent Account Number, Mandates, Nominations, Power of Attorney, Bank Details viz., Name of the Bank, Branch Details, Bank Account Number, MICR Code, IFSC Code etc., to

their Depository Participants (**'DPs'**) in case the Shares are held in Electronic Form and Registrar/RTA in case the Shares are held in Physical Form.

- a. Registration of E-mail for Shareholders holding Physical Shares: Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website www.xlsofttech.com and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail and also upload the image of Share Certificate in PDF or JPEG format. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification. For Permanent Registration for Demat Shareholders: It is clarified that for permanent registration of E-mail address, Members are requested to register their E-mail address, in respect of Demat holdings with the respective Depository Participant (DP) by follow the procedure as prescribed by the Depository Participant.
- b. For Temporary Registration for Demat Shareholders: Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: www.xlsofttech.com and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail.
- c. Registration of Bank Details for Physical Shareholders: Members holding Shares in Physical Form and who have not registered their Bank details can get the same registered with the Registrar, by clicking the www.xlsofttech.com and follow the registration process as guided therein. Members are requested to provide details such as Name,

Folio Number, Share Certificate Number, PAN, E-mail, along with the copy of the Cheque Leaf with the First named Member as mentioned on the Cheque Leaf containing Bank Name and Branch, Type of Account, Bank Account Number, MICR Details and IFSC code in PDF or JPEG format. It is very important that the Member should submit the request letter duly signed. The Registrar will verify the documents upload and will only take on records for all valid cases. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification.

10. The Meeting shall be deemed to be held at the registered office of the Company at Plot No. 40, IDA Balanagar, Hyderabad- 500037, Telangana
11. Nomination: Pursuant to Section 72 of the Act, Members holding Shares in Physical Form are advised to file Nomination in the prescribed Form SH-13 with the Company's Share Transfer Agent. In respect of the Shares held in Dematerialised form, Members may please contact their respective Depository Participant.
12. Consolidation of Physical Share Certificates: Members holding Shares in Physical Form, in identical order of Names, in more than One Folio are requested to send to the Company or Registrar, the details of such Folios together with the Share Certificates for consolidating their holdings in One Folio. A Consolidated Share Certificate will be issued to such Members after making requisite changes.
13. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to its Members to cast their vote electronically, through the E-Voting services provided by Central Depository Services (India) Limited ('CDSL') on all the Resolutions set forth in this Notice. Members who have cast their Votes by remote E-Voting prior to the AGM may also participate in the AGM through VC but

shall not be entitled to cast their Vote on such Resolutions again. The manner and process of E-Voting remotely by Members is provided in the instructions for E-Voting which forms part of this Notice.

14. A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date for dispatch of Notice and Annual Report i.e. **Friday, July 05 2024** will only be entitled for receipt of Annual Report.
15. The Voting Rights of the Shareholders for voting through remote E-Voting at the AGM shall be in proportion to their share of the Paid-up Equity Share Capital of the Company as on **Tuesday, July 30, 2024 ('Cut-Off Date')**. A Person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, only shall be entitled to avail the facility of remote E-Voting or of voting at the AGM and who is not a Member as on the Cut-off Date shall treat this Notice for information purposes only.
16. The Remote E-Voting Period will commence on **Thursday, August 01, 2024 (09:00 A.M. IST) and will end on Sunday, August 04, 2024 (05:00 P.M. IST)**. During this period, Members of the Company, holding Shares in Dematerialised form, as on the Cut-off Date i.e., on Tuesday, July 30, 2024 ('Cut-Off Date') shall be entitled to cast their vote by remote E-Voting. Once the Vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
17. The facility for Voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their Vote on the Resolutions through remote E-Voting and are otherwise not barred from doing so, shall be eligible to Vote through E-Voting system during the AGM.
18. Any person who becomes a Member of the Company after sending the Notice and holding Shares as on the **Cut-off date (Tuesday, July 30,**

2024) may obtain the Login-id and Password by sending a request at helpdesk.evoting@cdslindia.com. However, if a Member is already registered with CDSL for remote E-Voting then he/she can use his/her existing User-id and Password for casting the Vote.

19. In case of Joint holders, the Joint holder who is higher in the order of Names, will be entitled to vote at the Meeting, if not already voted through remote E-Voting.
20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company mentioning their Name, Demat Account Number/Folio Number, E-mail at kilinvestorservices@gmail.com on or before **Saturday, August 03, 2024**. The same will be replied by the Company suitably.
21. In case of Joint holders, the Joint holder who is higher in the order of Names, will be entitled to vote at the Meeting, if not already voted through remote E-Voting.
22. The Board of Directors has appointed M/s VCSR & Associates, Practicing Company Secretary (Membership No. FCS 6121, COP No. 6392), Hyderabad as the Scrutinizer to scrutinize the remote E-Voting Process and voting during the AGM, in a fair and transparent manner.
23. The Scrutinizer shall immediately, after the conclusion of E-Voting at the AGM, first count the Votes Cast during the AGM, thereafter, unblock the Votes Cast through remote E-Voting and make, not later than 2 working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the Total Votes Cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Results declared along with the Scrutinizer's Report shall be placed on the Website of the Company and on the Website of CDSL immediately. The results will also be communicated to NSE Limited, where the Shares of the Company are listed.

24. To prevent fraudulent transactions, Members are advised to exercise Due Diligence and notify the Company of any change in address or Demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic Statement of Holdings should be obtained from the concerned DPs and Holdings should be verified from time to time.

25. Instructions for attending the AGM through VC/OAVM:

- a. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL E-Voting system. Shareholders may access the same at www.evotingindia.com under Shareholders/ Members login by using the remote E-Voting credentials. The link for VC/OAVM will be available in Shareholder / Members login where the EVSN of the Company is displayed.
- b. Members may join the Meeting through Laptops, Smartphones, Tablets and I-Pads for better experience. Further, Members will be required to use the Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- c. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance between **August 01, 2024 (09:00 am) to August 03, 2024 (05:00 pm)** from their registered E-mail address mentioning their names, DP-ID and Client ID / Folio Number, PAN and Mobile Number at kilinvestorservices@gmail.com. Only those Members who have pre-registered themselves as a speaker will be allowed to

express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- d. Members are encouraged to submit their questions in advance with regard to the Financial Statements or any other matter to be placed at the 41st AGM, from their registered E-mail address, mentioning their Name, DP-ID and Client-ID Number / Folio Number and Mobile Number, to reach the Company's E-mail address at kilinvestorservices@gmail.com before **5:00 P.M. (IST) on Saturday, August 03, 2024**. Such questions by the Members shall be suitably replied by the Company.
- e. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. If any votes are cast by the Shareholders through the E-Voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC / OAVM facility, then the votes cast by such Shareholders shall be considered as invalid, as the facility of E-Voting during the Meeting is available only to the Shareholders attending the Meeting.
26. Subject to the receipt of Requisite number of Votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM. Voting through Electronic Means: Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 read with the Companies (Management and Administration) Rules, 2014 read with amendments or re-enactments made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to exercise Members' Right to Vote at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by Central

Depository Services (India) Limited (CDSL). The Members attending the Meeting, who have not already cast their vote through Remote E-Voting shall be able to exercise their Voting Rights at the Meeting. The Members who have already cast their vote through Remote E-Voting may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

27. The instructions for Shareholders for Voting Electronically are as under:

(i) The **Voting Period commences on Thursday, August 01, 2024 (09:00 A.M.) and closes on Sunday, August 04, 2024 (05:00 P.M.)**

During this period, the Shareholders of the Company, holding Shares in Dematerialized Form, as on the **Cut-off Date (Record Date), Tuesday, July 30, 2024** may cast their vote electronically. The E-Voting Module shall be disabled by CDSL for Voting thereafter.

- (ii) Shareholders who have already voted prior to the Meeting Date would not be entitled to vote at the Meeting.

Login method for E-Voting and Joining Virtual Meetings for Individual Shareholders holding Securities in Demat Mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on "E-Voting Facility provided by Listed Companies", Individual Shareholders holding Securities in Demat mode are allowed to cast their vote through their Demat Account maintained with the Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and E-mail in their Demat Accounts in order to access the E-Voting Facility. Pursuant to the above said SEBI Circular, Login method for E-Voting and joining Virtual Meetings for Individual Shareholders holding Securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders Holding Securities in Demat Mode with CDSL Depository	<ol style="list-style-type: none"> 1. Users who have opted for CDSL EASI/EASIEST facility, can login through their existing User-id and Password. Option will be made available to reach E-Voting page without any further authentication. The URL for Users to login to EASI/EASIEST are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System MYEASI. 2. After successful login to the EASI/EASIEST User will be able to see the E-Voting option for eligible Companies where the E-Voting is in progress as per the information provided by Company. On clicking the E-Voting option, the User will be able to see E-Voting page of the E-Voting Service Provider for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting. Additionally, there are also links provided to access the system of all E-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME so that the User can visit the E-Voting Service Providers website directly. 3. If the user is not registered for EASI/ EASIEST, option to register is available at CDSL website www.cdslindia.com. To login click on login & New System MYEASI Tab and then click on registration option. 4. Alternatively, the User can directly access E-Voting Page by providing Demat Account Number and PAN on E-Voting link available on www.cdslindia.com homepage. The system will authenticate the User by sending OTP on the Registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, the User will be able to see the E-Voting option where the E-Voting is in progress and also able to directly access the system of all the E-Voting Service Providers.

1. If you are already registered for NSDL 'IDeAS' facility, please visit the E-services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a Mobile. Once the Homepage of E-services is launched Click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User-id and Password. After successful authentication, you will be able to see E-Voting Services. Click on "Access to E-Voting" under E-Voting Services and you will be able to see E-Voting page. Click on Company name or E-Voting Service Provider name and you will be re-directed to E-Voting Service Provider website for casting your vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting.

2. If the User is not registered for IDeAS E-services, option to register is available at <https://eservices.nsdl.com/> Select "Register Online for IDeAS" Portal or Click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

3. Visit the E-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the homepage of E-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User-id(i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository Site wherein you can see E-Voting page. Click on Company name or E-Voting Service Provider name and you will be redirected to E-Voting Service Provider Website for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting.

Individual Shareholders Holding Securities in Demat Mode with NSDL Depository

Individual Shareholders Holding Securities in Demat Mode Login through their Depository Participants (DP)

You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for E-Voting facility. After Successful login, you will be able to see E-Voting option. Once you click on E-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see E-Voting feature. Click on Company Name or E-Voting Service Provider name and you will be redirected to E-Voting Service Provider Website for casting your vote during the remote E- Voting period or joining Virtual Meeting and voting during the Meeting

Important note: Members who are unable to retrieve User-id/ Password are advised to use Forgot User-id and Forgot Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders Holding Securities in Demat Mode with CDSL	Members facing any technical issue in login can contact CDSL Helpdesk by sending a request at the following e-mail: helpdesk.evoting@cdslindia.com or Contact at a toll free no.1800 22 5533
Individual Shareholders Holding Securities in Demat Mode with NSDL	Members facing any technical issue in login can contact NSDL Helpdesk by sending a request at evoting@nsdl.co.in or Call at Toll Free No. 1800 10 20990 and 1800 22 4430

Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

- (i) The Shareholders should log on to the E-Voting Website: www.evotingindia.com
- (ii) Click on "SHAREHOLDERS" Module.
- (iii) Now enter your User-id
 - i. For CDSL: 16 Digits Beneficiary ID
 - ii. For NSDL: 8 Character DP-ID followed by 8

- Digits Client-ID
- iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the 'Image Verification' as displayed and Click on Login.
 - (v.) If you are holding Shares in Demat form and had logged on to www.evotingindia.com and had voted on an earlier E-Voting of any Company, then your existing password is to be used.
 - (vi.) If you are a first-time user follow the steps given below:

PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders)</p> <p>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company /RTA or contact Company/RTA</p>
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Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company Records in order to login.</p> <p>If both the details are not recorded with the Depository or Company, please enter the Member-id /Folio Number in the 'Dividend Bank Details' field.</p>
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- (vii.) After entering these details appropriately, click on 'SUBMIT' tab.
 - (viii.) Shareholders holding Shares in Physical Form
- will then directly reach the Company selection screen. However, Shareholders holding Shares in Demat form will now reach 'Password

Creation' menu wherein they are required to mandatorily enter their login password in the 'New Password' field. Kindly note that this password is to be also used by the Demat Holders for Voting for Resolutions of any other Company on which they are eligible to vote, provided that the Company opts for E-Voting through CDSL Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix.) For Shareholders holding shares in Physical Form, the details can be used only for E-Voting on the Resolutions contained in this Notice.
- (x.) Click on the EVSN of the relevant Company ('Keerthi Industries Limited') on which you choose to vote.
- (xi.) On the Voting Page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for Voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.
- (xii.) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
- (xiii.) After selecting the Resolution, you have decided to vote on, click on 'SUBMIT'. A Confirmation Box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- (xiv.) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your Vote.
- (xv.) You can also take a print of the votes cast by clicking on 'Click here to Print' option on the Voting Page.
- (xvi.) If a Demat Account Holder has forgotten the login password then enter the User-id and the 'Image Verification Code' and click on Forgot Password and enter the details as prompted by the system.

(xvii.) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting:

- Non – Individual Shareholders (i.e. Other than Individuals, HUF, NRI etc.) and Custodians are required to log on to the website: www.evotingindia.com and register themselves in the 'CORPORATES' Module.
- A Scanned copy of the Registration Form bearing the Stamp and Sign of the Entity should be mailed to helpdesk.evoting@cdslindia.com
- After receiving the login details, a Compliance User should be created using the Admin login and Password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The List of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- It is Mandatory that a Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non-Individual Shareholders are required to send the relevant Board Resolution/ Authority Letter etc. together with the Attested Specimen Signature of the Duly Authorized Signatory who are authorized to vote, to the Scrutinizer and to the Company at the E-mail address: kilinvestorservices@gmail.com if they have voted from individual tab and not uploaded same in the CDSL E-Voting System for the Scrutinizer to verify the same.

If you have any queries or issues regarding E-Voting from the CDSL E-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43

All grievances connected with the facility for Voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr Manager, Central Depository

Services (India) Limited (CDSL), Wing-A, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an E-mail to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

Place: Hyderabad
Date: 06.07.2024

By Order of the Board of Directors
For Keerthi Industries Limited

Ashdeep Kaur
Company Secretary & Compliance Officer

INFORMATION AT A GLANCE

Particulars	Details
Date and Time of AGM	Monday, August 05, 2024 at 11:00 A.M. IST
Mode	Video conference and other audio-visual means
Cut-off date for voting	Tuesday, July 30, 2024
E-voting start time and date	Thursday, August 01, 2024 at 09:00 A.M.
E-voting end time and date	Sunday, August 04, 2024 at 05:00 P.M.
E-voting website	www.evotingindia.com
Participation through video-conferencing	www.cdslindia.com
Helpline number for VC participation	022-23058738 and 022-23058542/43

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 03:

Ratification of Remuneration payable to Cost Auditors for the Financial Year 2024-25.

The Board, on the recommendations of the Audit Committee at their respective meeting held on May 25, 2024 had approved the appointment of M/s. Vasireddy & Associates, Cost Accountants (FRN: 004181), as Cost Auditors for conducting cost audit of the cost records of the Company for the financial year ending March 31, 2025, at a remuneration of Rs. 55,000/- plus reimbursement of actual travel and out of pocket expenses and GST as applicable.

In accordance with Section 148 (3) of the Companies Act, 2013 and Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors are required to be ratified by the shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way to concerned or interested, in the said resolution.

The Board recommends the said resolution no. 03 to be passed as *Ordinary Resolution*.

ITEM NO. 04:

Appointment of Mr. Seetha Ramanjaneyulu Thagirisa (DIN: 10640532) as an Independent Director, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from May 26, 2024

Mr. Seetha Ramanjaneyulu Thagirisa, was appointed by the Board as an Additional Independent Director with effect from May 26, 2024 in terms of provisions of Section 161 of the Companies Act, 2013, rules made thereunder. As per the provisions contained under Section 161 of the Companies Act, 2013, the 'Additional Director' so appointed shall hold office upto the date of the next Annual General Meeting. Accordingly, Mr. Seetha Ramanjaneyulu Thagirisa, as an Additional Director, holds office upto the date of this Annual General Meeting.

In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than 14 days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the proviso to Sec. 160 the requirements of deposit of amount shall not apply in case of appointment of Independent Director.

Accordingly, the Company has received a notice from a member proposing candidature of Mr. Seetha Ramanjaneyulu Thagirisa, for the office of Director in terms of Section 160 of the Companies Act, 2013. He has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The consent letter and other necessary declarations for the said proposal were received by the Company from him.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an 'Annexure I' to the notice.

As per SEBI (LODR) Regulations, 2015, effective from 1st January, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person as Director on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Therefore, the Company seeks the consent of the members.

Except Mr. Thagirisa Seetha Ramanjaneyulu, being the appointee, or his relatives, none of the Directors

and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 04.

Mr. Seetha Ramanjaneyulu Thagirisa do not hold equity shares in the Company.

The Board is of the view that Mr. Seetha Ramanjaneyulu Thagirisa knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends their appointment to the Members as Special Resolution.

ITEM NO. 05:

**Appointment of Mr. Krishna Prasad Gondi
(DIN: 00020179) as an Independent Director,
not liable to retire by rotation, to hold office
for a term of 5 (five) consecutive years
commencing from July 07, 2024**

Mr. Krishna Prasad Gondi, was appointed by the Board as an Additional Director (Independent Category) with effect from July 07, 2024 in terms of provisions of Section 161 of the Companies Act, 2013, rules made thereunder. As per the provisions contained under Section 161 of the Companies Act, 2013, the 'Additional Director' so appointed shall hold office upto the date of the next Annual General Meeting. Accordingly, Mr. Krishna Prasad Gondi, as an Additional Director, holds office upto the date of this Annual General Meeting.

In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than 14 days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However, as per the proviso to Sec. 160 the requirements

of deposit of amount shall not apply in case of appointment of Independent Director.

Accordingly, the Company has received a notice from a member proposing candidature of Mr. Krishna Prasad Gondi, for the office of Director in terms of Section 160 of the Companies Act, 2013. He has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The consent letter and other necessary declarations for the said proposal were received by the Company from him.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an 'Annexure I' to the notice.

As per SEBI (LODR) Regulations, 2015, effective from 1st January, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person as Director on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Therefore, the Company seeks the consent of the members.

Except Mr. Krishna Prasad Gondi, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 04.

Mr. Krishna Prasad Gondi do not hold equity shares in the Company.

The Board is of the view that Mr. Krishna Prasad Gondi knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends their appointment to the Members as Special Resolution.

ANNEXURE I

Brief Profile of Directors pursuant to Regulation 36 (3) of the SEBI (Listing Obligations & disclosure Requirements) Regulation, 2015 and Secretarial Standards for General Meetings (SS-2) are as mentioned below:

Name of the Director	Mr. Venkata Krishna Jasti Item No. 2	Mr. Seetha Ramanjaneyulu Thagirisa Item No. 4	Mr. Krishna Prasad Gondi Item No. 5
DIN	09041310	10640532	00020179
Date of Birth	February 28, 1982	May 15, 1958	April 01, 1969
Age	42 Years	66 Years	55 Years
Brief Resume,Qualification and Nature of expertise	Mr. Venkata Krishna Jasti holds Masters in Mechanical Engineering (MS) from Carnegie Mellon University, United States. He was also awarded Ph.D in mechanical engineering from Carnegie Mellon University, US in 2008. He possesses the appropriate skill, experience and knowledge required for the role of Non-Executive Director	Mr. Seetha Ramanjaneyulu Thagirisa holds Master of Commerce (M.Com) Degree from Andhra University He is having over 3.5 decades of rich and versatile experience stretching from Administrative, Finance, Banking with proven results. He is the desired candidate to upload the Integrity of independence of the Company.	Mr. Krishna Prasad Gondi holds Bachelor's in Electronics from ECE Shivaji University and Masters in Computer Science from Wayne State Detroit Michigan, US. He has 3 decades of senior management experience in technology, construction, industries, advertising and education. He possesses the required experience for acting as the Independent Director of the Company.
Relationship with other Directors	Son of Mr. J. S. Rao, Managing Director and Ms. Triveni Jasti, Whole Time Director of the Company	None	None
Board Membership of other Listed Companies as on March 31, 2024	None	None	None
Chairmanship/ Membership of Committees other Public Limited Companies as on March 31, 2024	None	None	None
No. of Meetings of the Board attended during the year 2023-24	Five out of Five	NA	NA
Listed Companies from which the person has resigned from the directorship in the past three years	None	None	None
Shareholding in Keerthi Industries Limited	87,347 equity shares (1.09% of paid-up equity share capital of the Company)	Nil	NA
Terms and conditions of appointment/ re appointment and Remuneration sought to be paid/ last drawn	Non – Executive Director liable to retire by rotation. Remuneration last drawn: As mentioned in the Corporate Governance Report	Independent Director not liable to retire by rotation. Remuneration last drawn: Nil	Independent Director not liable to retire by rotation. Remuneration last drawn: Nil

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 41st Annual Report for the Financial Year 2023-2024 together with the Audited Financial Statement as at March 31, 2024.

1. FINANCIAL HIGHLIGHTS

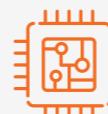
Particulars	2023-2024	2022-23 (₹. In Lakhs)
Revenue		
From Operations	21,211.79	24,056.39
Other Income	133.83	235.56
Total Revenue	21,345.62	24,291.95
Profit		
Profit/Loss Before Tax	(2,074.03)	(1,107.79)
Less: Provision for Tax (including deferred tax)	(505.30)	(383.85)
Profit/Loss After Tax	(1,568.73)	(723.94)

2. OVERVIEW AND STATE OF AFFAIRS OF THE COMPANY

The Company generated operating revenue for the year 2023-24 of Rs 5023.33 Lakhs. The Total Comprehensive Loss for the FY 2023- 24 at Rs. 478.35 Lakhs (Rs. 738.22 Lakhs in 2022-23).

Cement Division

Production of Cement and Clinker were 4,35,523 MTS and 3,82,874 MTS respectively during the twelve months ended 31st March, 2024 as against 4,78,515 MTS and 4,74,584 MTS respectively during the previous year ended 31st March, 2023. Accordingly, revenue generated during the year ended 31st March, 2024 is Rs. 21,211.79 Lakhs as against the revenue Rs. 24,056.39 Lakhs during the previous year ended 31st March, 2023.



Electronic Division

The Company has produced 3268 sq. mts of Printed Circuit Boards as against 3698 sq. mts during the previous year. Accordingly, Revenue generated during the twelve months ended 31st March, 2024 is Rs. 1849.33 Lakhs as against the revenue Rs. 1872.25 Lakhs during the previous year ended 31st March, 2023.



Sugar Division

There is no progress in the division in particular, effective steps could not be taken for furtherance of the business.



Oilfield and Natural Gas

There is no progress in the division in particular, effective steps could not be taken for furtherance of the business.

3. DIVIDEND

During the year, our Company has faced significant challenges such as market conditions, increased competition, operational issues, etc. Despite our dedicated efforts to navigate these challenges, the company has incurred losses for the financial year. In light of the financial performance of the company, the Board of Directors has decided not to declare any dividend for the financial year ended March 31, 2024. This decision has been taken after careful consideration of the company's current financial position and future growth plans.

4. SHARE CAPITAL

(a) No Change in Authorized Capital:

During the year under review, there was no change in the Authorized Capital of the Company. The Authorized Capital of the Company is Rs. 38 Crores divided into 2.73 Crore Equity shares of Rs. 10/- each aggregating Rs. 27.30 Crores and 0.107 Crore 9% Cumulative Redeemable Preference Shares of Rs. 100/- each aggregating Rs. 10.7 Crore.

(b) No Change in Paid up Share Capital:

Equity Share Capital: During the period under review, there was no change in the Paid-up Equity Share Capital of the Company. The Paid-up Equity Share Capital was Rs. 8.01 Crore divided into 0.801 Crore Equity shares of Rs. 10/- each.

5. BOARD, COMMITTEES OF THE BOARD AND OTHER INFORMATION:

A. Board of Directors

The Company's Board of Directors have been constituted in compliance with the provisions of Companies Act read with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Composition of the Board is as under:

1.	Mrs. J. Triveni	Executive Chairperson & Whole-time Director
2.	Mr. J. S. Rao	Managing Director
3.	Mr. J. Sivaram Prasad	Independent Director
4.	Mr. K. Harishchandra Prasad	Independent Director
5.	Mr. Boddu Venkata Subbaiah	Independent Director
6.	Mr. Ramakrishna Prasad Musunuri	Independent Director
7.	Mr. Jasti Venkata Krishna	Non-executive Director

In accordance with the provisions of Companies Act, 2013, Mr. Venkata Krishna, Non-Executive Director of the Company would retire by rotation and, being eligible, offer himself for re-appointment. The Board of Directors recommends his re-appointment at the ensuing Annual General Meeting.

B. Board Meetings

During the year Five (5) Board Meetings. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

C. Declaration of Independence

As required under Section 134 (3) (d) of the Companies Act, 2013, All independent directors as mentioned above have given declarations to the Company that they meet the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulation 2015.

D. Evaluation of Board's performance, its committees and Directors

Pursuant to Section 178 (2) of the Companies Act, 2013, the Nomination and Remuneration Committee has evaluated the performance of individual Directors in its duly convened meeting. Pursuant to Section 134 (3) (p) of the Companies Act, 2013 and Regulation 4 (2) (f) (ii) (9) of the SEBI (LODR) Regulation, 2015, the Board has carried out an evaluation of its own performance, as well as the evaluation of the Committees of the Board. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

E. Familiarization Programmes for Independent Directors

The Independent Directors of the Company are eminent professionals with several decades of experience in banking and financial services, technology, finance, governance and management areas, and fully conversant and familiar with the business of the Company.

The Company has an ongoing familiarization programme for all Independent Directors with regard to their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc.

F. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Remuneration Policy is stated in the Corporate Governance Report.

G. Details Of Whole-Time Key Managerial Personal (KMP)

Pursuant to the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel of the Company are Mrs. J. Triveni, Executive Chairperson & Whole-time Director, Mr. J. S. Rao, Managing Director, Mr. Y. Sadasiva Rao, Chief Financial Officer and Mr. Arun Kumar Yadav, Company Secretary & Compliance Officer (upto 07.11.2023), Ms. Ashdeep Kaur Company Secretary & Compliance Officer (w.e.f 06.03.2024).

Subsequent to the year under review, Mr. T S R Anjaneyulu and Mr. Krishna Prasad Gondi were appointed as Additional Directors (Independent Category) w.e.f. May 26, 2024 and July 07, 2024 respectively. They will be regularized in the 41st Annual General Meeting of the company and

with the approval of the shareholders, they will be appointed as Independent Directors of the Company.

H. Audit Committee

The composition of Audit Committee has been detailed in the Corporate Governance Report, forming part of this Annual Report.

All recommendations made by the Audit Committee have been accepted by the Board of Directors.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of Section 134(5) of the Companies Act, 2013, your directors confirm:

- That the directors in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures.
- That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period.
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and deleting fraud and other irregularities.
- That the directors had prepared the annual accounts on the going concern basis.
- That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

- f. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company has put in place the Prevention of Sexual Harassment Policy (POSH) in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee (ICC) has been constituted in compliance with the requirements of said Act to redress complaints received regarding sexual harassment. All employees are covered under this Policy. Employees at all levels are being sensitized about the Policy and the remedies available thereunder.

During the Financial year 2023-24, Nil complaints were received by ICC.

8. RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

- Company ensures that the Manufacturing Operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- No specific investment has been made in reduction in energy consumption

- As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

B. TECHNOLOGY ABSORPTION

Company's products are manufactured by using in-house knowhow and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire activities are directed to achieve the aforesaid goal.

C. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

No expenditure was incurred on Research and Development by the Company during the period under review.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings & Outgo	
1 Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans	
2 Total foreign exchange outgo and earned	
a) Foreign Exchange Outgo	524.46 Lakhs
b) Foreign Exchange Earned	192.41 Lakhs.

9. AUDITORS



STATUTORY AUDITORS

M/s. Brahmayya and Co., Chartered Accountants (FRN: 000513S) have been Re-appointed at the 39th AGM held on September 21, 2022 as the Statutory Auditors of the Company for the Second term of Five (5) consecutive years to audit the financial statements of the Company from FY 2022-23 to FY 2026-27 and to hold office from the conclusion of 39th AGM till the conclusion of 44th AGM.



COST AUDITORS

In compliance with the provisions of Section 148 of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s. Vasireddy & Associates (FRN: 004181), Cost Accountants, as Cost Auditors of the Company for the FY 2024-25. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the members. Accordingly, necessary resolution is proposed at the ensuing AGM for ratification of the remuneration payable to the Cost Auditors for FY 2024-25.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s VCSR & Associates, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit for the financial year 2024-2025. The report of the Secretarial Auditor in Form MR-3 for the FY 2023-24 is enclosed as Annexure A and forms part of this report.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

During the financial year, the Board of Directors approved a Corporate Social Responsibility (CSR) budget of Rs. 27.32 lakhs. This allocation was intended to support the ongoing and planned CSR projects that align with our commitment to sustainable development and social welfare.

During the year one (1) meeting of the committee was held on May 30, 2023. The CSR Committee comprises of Mr. B. V. Subbaiah, Chairman; Mr. Harishchandra Prasad Kanuri, Member; Mr. Sivaram Prasad Jetty, Member; Mr. J. S. Rao, Member; Mr. Jasti Venkata Krishna, Member.

Please refer to **Annexure B** to the Board's Report for the Annual Report on CSR activities for the financial year 2023-24.

11. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and Directors is annexed herewith as **Annexure C**.

12. WEB-ADDRESS OF ANNUAL RETURN

Web-address of the draft Annual Return pursuant to sub-section (3) of Section 92 is updated in the website of the Company. Link for the Annual Return is as under <http://www.keerthiindustries.com/annual-Return-Section.html>

13. RELATED PARTY TRANSACTIONS

All related party transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered into by the Company are reviewed by independent Chartered Accountants to confirm that they were in the ordinary course of business and on an arm's length basis. Form AOC-2 will not form part of Board's report, as all the transactions with related parties are in arm's length basis or in ordinary course of business. There are no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large.

Related party transactions as required under the Indian Accounting Standards are disclosed in Notes to the financial statements of the Company for the financial year ended March 31, 2024. The Policy on Related Party Transaction is available on the Company's website at <http://www.keerthiindustries.com/policy.html>

14. HOLDING, SUBSIDIARY/ ASSOCIATE COMPANIES

As on 31st March, 2024, the Company does not have any Holding Company, Subsidiary Company or Associate Company.

15. CORPORATE GOVERNANCE

The Corporate Governance Report together with the Certificate from the Practicing Company Secretary of the Company regarding compliance with the requirements of Corporate Governance as stipulated SEBI (LODR) Regulations, 2015 is appended as Annexure D to this Report.

16. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future

outlook, risks and concerns, etc., is provided separately in the Annual Report and forms part of this Directors' Report.

17. VIGIL MECHANISM / WHISTLE-BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has established a robust Vigil Mechanism and a whistle-blower policy in accordance with provisions of the Act and Listing Regulations. Under the whistle-blower policy, employees are free to report any improper activity resulting in violation of laws, rules, regulations, or code of conduct by any of the employees to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any complaint received is reviewed by the Competent Authority or Chairman of the Audit Committee as the case may be. No employee has been denied access to the Audit Committee. The policy on Vigil Mechanism/Whistle-Blower can be accessed on the Company's website at: <http://www.keerthiindustries.com/policy.html>

18. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board & to the Chairperson & Managing Director.

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

19. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has adopted accounting policies which are in line with the Accounting Standards and the Act. These are in accordance with generally accepted accounting principles in India. The Company has a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accuracy of provisions and other estimates.

20. HEALTH AND SAFETY/ INDUSTRIAL RELATIONS

The company continues to accord high priority to health and safety of employees at manufacturing locations. During the year under review, the company conducted safety training programmes for increasing disaster preparedness and awareness among all employees at the Head office and the cement plants. Training programmes and mock drills for safety awareness were also conducted for all employees. Safety Day was observed with safety competition programmes with aim to imbibe safety awareness among the employees at the Head office and the cement plants. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

21. OTHER INFORMATION

A. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

B. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

C. PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 or 74 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

D. DEMATERIALIZATION OF SHARES

The Equity Shares of your Company have been admitted by CDSL/ NSDL for dematerialization. In response to the compliance with SEBI Circular SEBI/ HO/ MIRSD/ DOP1/ CIR/ P/ 2018/73 dated April 20, 2018, your company had issued 4 (four) reminders to all the Shareholders whose shares are in physical mode and requested them to dematerialize their shares. The Board pleased to inform that in compliance with Regulation 39 of the SEBI (LODR), Regulation, 2015 entered with Bombay Stock Exchange Limited, the unclaimed equity shares were dematerialized and the same are lying in the DEMAT suspense account. Shareholders are requested to claim their shares in DEMAT form by submitting their claims to the Company / RTA.

E. RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the Listing Regulation, the company has constituted a risk management committee in its Board Meeting held on May 29, 2015. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report. At present the company has not identified any element of risk

which may threaten the existence of the company.

F. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the period under review, there are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

G. CHANGE IN THE NATURE OF BUSINESS

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

22. ACKNOWLEDGEMENTS:

Your Directors are thankful to Company's employees for their dedicated service and firm commitment to pursuing the goals and Vision of the Company. Your Board also wishes to express its appreciation for the continued support of Axis Bank Limited and acknowledge with gratitude the help extended by the Central Government and Government of Telangana & Andhra Pradesh. Your directors also wish to place on record their appreciation of the services rendered and co-operation extended by the Dealers, Customers and other concerned.

By Order of the Board of Directors
For Keerthi Industries Limited

Triveni Jasti
Executive Chairperson & Whole Time Director
DIN: 00029107

Place: Hyderabad

Date: 06.07.2024

H. COMPLIANCE WITH SECRETARIAL STANDARD

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

I. OTHER CONFIRMATIONS

There is no application/proceeding pending under the Insolvency and Bankruptcy Code, 2016 and there are no application/proceeding during the year under review. Further, there are no instances of one time settlement with any Bank or Financial Institutions.

Annexure A

MR -3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To
The Members,
M/s. Keerthi Industries Limited,
Hyderabad.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and regulations as mentioned below and the adherence to good corporate practices by M/s. **KEERTHI INDUSTRIES LIMITED** (herein called 'the Company') holding **CIN: L11100TG1982PLC003492** and having office at Plot No.40, IDA Balanagar, Hyderabad- 500037, Telangana. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 ("Audit Period") according to the provisions of:
 - 1.1. The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
 - 1.2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - 1.3. The Depositories Act, 1956 and the Regulations and the Bye-laws framed thereunder;
 - 1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
 - 1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - 1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
 - 1.5.3. 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;
 - 1.5.4. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreement entered with BSE Limited;
 - 1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.
 - 1.7. We have also examined the compliance of other applicable laws as under:
 - 1.7.1. Employees Provident Fund and Miscellaneous Provisions Act, 1952

- 1.7.2. Employees State Insurance Act, 1948
- 1.7.3. Employers Liability Act, 1938
- 1.7.4. Environment Protection Act, 1986 and other environmental laws
- 1.7.5. Equal Remuneration Act, 1976
- 1.7.6. Factories Act, 1948
- 1.7.7. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- 1.7.8. Industrial Dispute Act, 1947
- 1.7.9. Minimum Wages Act, 1948
- 1.7.10. Payment of Bonus Act, 1965
- 1.7.11. Payment of Gratuity Act, 1972
- 1.7.12. Payment of Wages Act, 1936 and other applicable labour laws

2. We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except to the extent as mentioned below:

- Mr. Arun Kumar Yadav resigned as Company Secretary & Compliance Officer on 07.11.2023, As per LODR regulation the Company is required to appoint Company Secretary within three months from the date of resignation. However the Company has appointed Ms. Ashdeep Kaur as Company Secretary & Compliance Officer on 06.03.2024.

3. We further report that:

- 3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, and Non-Executive Independent Directors. The composition of the Board of Directors during the period under review is in compliance with the provisions of the Act.
- 3.2. Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3.3. Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously. There were no dissenting views of members of the Board at any Board / Committee meeting held during the financial year.
- 3.4. Majority decision is carried through as informed by the Company.

4. As per our Audit and the explanation provided by the management, it is to be noted that for the Audit Period the following acts are not applicable to the Company:

- 4.1. SEBI (ESOS & ESOP) Guidelines, 1999.
- 4.2. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
- 4.3. SEBI (Buyback of Securities) Regulations, 1998.
- 4.4. SEBI (Share Based Employee Benefits) Regulations, 2014.

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

- 6. We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Hyderabad
Date: 25.05.2024

For VCSR & Associates
Company Secretaries
(Ch Veeranjaneyulu)
Partner
CP NO. 6392, M No. F6121
Peer Review No: 751/2020
UDIN: F006121F000473544

Note: This report is to be read with our letter of even date which is annexed as (Annexure A) and forms an integral part of this report

'(Annexure A)'

To
The Members,
M/s. Keerthi Industries Limited,
Our report of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed to provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures.
- 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: Hyderabad
Date: 25.05.2024

For VCSR & Associates
Company Secretaries
(Ch Veeranjaneyulu)
Partner
CP NO. 6392, M No. F6121
Peer Review No: 751/2020
UDIN: F006121F000473544

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company

VISION

In alignment with vision of the company, Keerthi, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

OBJECTIVE

- i. Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- ii. To directly or indirectly take up programmes that benefit the communities in & around its Work Centre and results, over a period of time, in enhancing the quality of life, health and economic wellbeing of the local people.
- iii. To generate, through its CSR initiatives, a goodwill for Keerthi and help reinforce a positive & socially responsible image of Keerthi as a corporate entity.

2. Composition of CSR Committee

Sl. No.	Name of the Committee members	Designation / Category of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
(i)	Mr. B. V. Subbaiah	Chairman (Non-executive Independent Director)	1	1
(ii)	Mr. K. Harishchandra Prasad	Member (Non-executive Independent Director)	1	1
(iii)	Mr. J. Sivaram Prasad	Member (Non-executive Independent Director)	1	1
(iv)	Mr. J.S Rao	Member (Executive Director)	1	1
(v)	Mr. Jasti Venkata Krishna	Member (Non-executive Director)	1	1

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:	http://www.keerthiindustries.com/Corporate-Social-Responsibility.html
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	--
6.	Average net profit of the company as per section 135(5)	Rs. 1365.89 Lakhs
	(a) Two percent of average net profit of the Company as per section 135(5):	Rs. 27.32 Lakhs
7.	(b) Surplus arising out of the CSR projects/ programmes or activities of the previous financial years:	NIL
	(c) Amount required to be set off for the financial year, if any:	NIL
	(d) Total CSR obligation for the financial year 2023-24: (a+b-c)	Rs. 27.32 Lakhs

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

Total Amount Spent for the Financial Year. (in Lakhs)	Amount Unspent (in Lakhs)			
	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.
Nil	Rs. 27.32	May 01, 2024	N.A.	N.A.

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

(1)	Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project	Project duration	Amount allocated for the project (Rs. in Lakhs)	Amount spent in the current financial Year (in lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in lakhs)	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through Implementing Agency	(11)
1.		Sports Training and coaching provided to aspirants	VII	Yes	Telangana	On going	20.00	Nil	20.00	Yes	Chetan Anand Badmin-ton For-mation	CSR00 01912 0
2.		Construction and Development of ZPHS school located at Suryapet, Telangana	X	Yes	Surya pet	On going	7.32	Nil	7.32	Yes	-	-
		Total					27.32	Nil	27.32			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)				
				Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project	Amount spent for the project (in lakhs)	Mode of Implementation - Direct (Yes/ No).	Mode of implementation - Through Implementing Agency	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-
Total												

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

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

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

Sl. No	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	27.32
(ii)	Total amount spent in the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not applicable. The Company has transferred the amount unspent to the Unspent CSR account, in terms of Section 135(6) of the said Act.

Annexure C

Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of remuneration during the year 2023-24 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24

S. No.	Name of the Directors	Designation	Ratio of the remuneration to the median remuneration of the employees
1.	Mrs. J. Triveni	Executive Chairperson	19.75 : 1
2.	Mr. J. S. Rao	Managing Director	19.75 : 1
3.	Mr. Venkata Krishna Jasti	Non-Executive Director	NIL
4.	Mr. J. Sivaram Prasad	Independent Director	NIL
5.	Mr. B V Subbaiah	Independent Director	NIL
6.	Mr. K. Harishchandra Prasad	Independent Director	NIL
7.	Mr. Ramakrishna Prasad Musunuri	Independent Director	NIL

Non-Executive Directors are withdrawing seating fee in respect of attending Board meetings. No other remuneration is paid to them.

(a) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

S. No.	Name of the Director & KMP	Designation	% increase in remuneration
1.	Mr. J. S. Rao	Managing Director	NIL
2.	Mrs. J. Triveni	Executive Chairperson	NIL
3.	Mr. J. Sivaram Prasad	Independent Director	NIL
4.	Mr. B V Subbaiah	Independent Director	NIL
5.	Mr. K. Harishchandra Prasad	Independent Director	NIL
6.	Mr. Ramakrishna Prasad M.	Independent Director	NIL
7.	Mr. Venkata Krishna Jasti	Non- Executive Director	NIL
8.	Mr. Y Sadasiva Rao.	Chief Financial Officer	5.19
9.	Mr. Arun Kumar Yadav*	Company Secretary	NIL
10.	Ms. Ashdeep Kaur**	Company Secretary	NIL

*Upto November 07, 2023

** w.e.f. March 06, 2024

(c) The percentage increase in the median remuneration of employees in the financial year: 7.5%

(d) The number of permanent employees on the rolls of company: 260

(e) Average increase in the salaries of employees is 13.53% other than managerial personnel during the financial year 2023-24 while it was 13.10% in the previous year 2022-23.

The increment in salaries of the employees are in line with the increment in the Managerial Remuneration as compared to other organisation of same sector and scale of business.

(f) The remuneration paid to the Key Managerial personnel is in accordance with the remuneration policy of the Company.



ANNEXURE D REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Keerthi Industries, corporate governance is fundamental to our business operations. We believe that outstanding corporate governance arises from implementing best management practices, legal compliance, and the highest standards of transparency and business ethics.

Our commitment prioritises key values such as empowering our employees, ensuring their integrity, and prioritising their safety along with the safety of the communities around our plants. We practise transparent decision-making processes, fair and ethical interaction with all stakeholders, and maintain a clean, pollution-free environment. Accountability to our stakeholders is paramount. Our corporate governance philosophy is further reinforced through our robust business practices and the Keerthi Industries Code of Corporate Disclosure Practices.

II. BOARD OF DIRECTORS

a. As on March 31, 2024, The Board of Directors consists of 7 Members out of whom 4 are

Non-Executive Independent Directors, 2 are Promoter Executive Directors and 1 Promoter Non-Executive Director. The Composition of the Board is in conformity with the Companies Act, 2013 (**'the Act'**) and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (**'Listing Regulations'**).

- b. Our Board composition comprises of experts in various domains such as corporate governance, Cement Industry, legal and compliances, finance and accounts. Our Board has an appropriate mix of Executive and Independent Director(s) to maintain its independence, and separate its functions of governance and management.
- c. The details of Composition of Board of Directors, their attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/ memberships held by the Directors during the year are as follows
- d. Board Meetings: The Board of Directors met Five (5) times during the year on May 30, 2023, August 12, 2023, November 07, 2023, February 10, 2024 and March 06, 2024, and the maximum

Sl. No.	Name of the Directors	Category Particulars	Attendance Particulars				No. of other Directorship and Committee				Name of the Listed Companies where Company's Director is also a Director			
			Board Meetings		Last AGM held on 25.09.2023	*Other Directorships	**Committee Memberships	***Committee Chairmanships	Name of Listed Company	Category of Directorship				
			Held	Attended										
1	Mrs. J. Triveni	Executive Chairperson & Whole Time Director	5	5	YES	5	0	0			Kakatiya Cement Sugar and Industries Limited	NIDNED##		
2	Mr. J. S. Rao	Managing Director	5	5	YES	6	1	0						
3	Mr. J. Sivaram Prasad	Independent Director	5	5	YES	8	0	0			1.B.N. Rathi Securities Limited	IDNED###		
4	Mr. K. Harish Chandra Prasad	Independent Director	5	5	YES	7	5	1			2.Suryalata Spinning Mills Limited			
5	Mr. B. V. Subbaiah	Independent Director	5	5	YES	0	0	0			3.Lakshmi Finance and Industrial Corporation Ltd	Managing Director		
6	Mr. Ramakrishna Prasad Musunuri#	Independent Director	4	4	YES	9	2				Kakatiya Cement Sugar and Industries Limited (cessation w.e.f. March 31, 2024)	IDNED		
7	Mr. J. Venkata Krishna	Non-executive Director	5	5	YES	0	0	0			Divyashakti Limited	IDNED		

* Other Directorship-includes both private and public limited Companies.

**Committee Membership- Only in Audit Committee and Stakeholders' Relationship Committee.

***Committee Chairmanship- Only in Audit Committee and Stakeholders' Relationship Committee.

Mr. Ramakrishna Prasad Musunuri was appointed as an Independent Director w.e.f. 01.07.2023.

Non Independent Non- Executive Director

Independent Non- Executive Director

gap between any two meetings was not more than the 120 days.

e. Pecuniary relationship or transaction of the Non-executive Directors vis-à-vis the company: None of the Non-executive Directors have any pecuniary relationship or transactions with the company except Mr. J. Venkata Krishna, Non-Executive Director who is also a Promoter Shareholder of the Company holding 1.09% of the Shareholding of the Company and Mr. K. Harishchandra Prasad, Independent Director holding 20 shares (0%) of the Company.

f. Familiarisation Programme for the Independent Directors: The Company conducts Familiarization Programme for Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities. They have full opportunity to interact with Senior Management Personnel and are provided all documents required and

sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part. The details of familiarisation programmes imparted to the Independent Directors of the Company has been disclosed on the website of the Company and can be accessed through the following link at: <http://www.keerthiindustries.com/policys.html>

g. Core skills/ expertise/ competencies of Board of Directors: The brief profiles of Directors, as given in the Annual Report, give an insight into the education, expertise, skills and experience of the Directors. In terms of the requirement of the Listing Regulations, the Board has identified the following core skills/ expertise/ competencies of the Directors in the context of the Company's business and its effective functioning:

h. Confirmation of Independence All the Independent Directors of the Company are eminent professionals with vast experience in the fields of their expertise. The Independent

Directors have been issued formal letter of appointment, and the terms and conditions of their appointment have also been disclosed on the website of the Company.

The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149(6), 149(7) of the Companies Act, 2013 and Regulation 16 and 25(8) of the Listing Regulation.

Further, the Board after taking these declaration/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Company's Management.

III. BOARD COMMITTEES

Currently, the Company has the Committees namely: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Risk Management Committee. The Board decides the terms of reference for these Committees. The minutes of the meetings of the Committees are placed before the Board for noting. The details about composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder.

A. AUDIT COMMITTEE

- The terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations and, inter-alia, include:
 - Overseeing the financial reporting process and disclosure of financial information.

- Recommending the appointment / re-appointment of statutory auditors and fixation of audit fee.
- Review of financial statements before submission to the Board.
- Review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, related party transactions, scrutiny of inter corporate loans & investments.
- Approval and review of related party transactions.
- Valuation of assets/undertakings of the Company and appointment of registered valuers.
- Reviewing the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, etc., and
- Reviewing the financial statements of unlisted subsidiary companies and, in particular, the investments made by them.

ii. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of section 177(4) of the Companies Act 2013 and Regulation 18 of the Listing Regulation relating to the composition of the Audit Committee. During the financial year 2023-2024, four (4) meetings of the Audit Committee were held on May 30, 2023, August 12, 2023, November 07, 2023 and February 10, 2024. The details of the composition of the Audit Committee and attendance of these members at the meetings are given below:

Name of the Directors	Industry knowledge and experience	Governance Practices	General Management	Risk Management	Financial Management
Mrs. Triveni Jasti	✓	✓	✓	✓	✓
Mr. Seshagiri Rao Jasti	✓	✓	✓	✓	✓
Mr. Venkata Krishna Jasti	✓	✓	✓	✓	✓
Mr. Harishchandra Prasad Kanuri	✓	✓	✓	✓	✓
Mr. Sivaram Prasad Jetty	✓	✓	✓	✓	✓
Mr. Ramakrishna Prasad Musunuri	✓	✓	✓	✓	✓
Mr. Venkata Krishna Jasti	✓	✓	✓	✓	✓

Name of Committee Members	Designation	Category	No. of Meetings Attended
Mr. J. Sivaram Prasad	Chairperson	NED (I)	4
Mr. K. Harishchandra Prasad	Member	NED (I)	4
Mr. B. V. Subbaiah	Member	NED (I)	4
Mr. J. S. Rao	Member	ED (P)	4
Mr. J. Venkata Krishna (w.e.f. 01.07.2023)	Member	NED (P)	3
Mr. Ramakrishna Prasad Musunuri (w.e.f. 01.07.2023)	Member	NED (I)	3

NED (I) - Non-Executive Director (Independent Category)

NED (P) - Non-Executive Director (Promoter Category)

ED (P) - Executive Director (Promoter Category)

B. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations and, inter-alia, include:

- To formulate the criteria for appointment of Directors/Senior Management including determining qualifications, positive attributes, and independence of Directors.
- Recommend the remuneration and periodic increments of the Managing/ Whole-time Director(s) and determine the annual incentive of the Managing/ Whole-time Director(s).
- Formulate, implement, administer, and superintend the Employee Stock Option Plan/Scheme(s) of the Company.

- Devise policy on Board diversity.
- Formulate criteria for evaluation of Independent Directors/Board.
- Recommend the Remuneration policy to the Board.
- Recommend to the Board, all remuneration in whatever form, payable to the Senior Management etc.

The committee met thrice (3) on November 07, 2023, February 10, 2024 and February 20, 2024 during the financial year ended March 31, 2024. The details of composition and attendance record of the members at the meeting were as follows:

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations the Board has carried out the annual evaluation of (i) its own performance; (ii) Individual Directors Performance (Including Independent Directors) and (iii) Performance of all committees of the Board, for the Financial

Name	Designation	Category	No. of Meetings Attended
Mr. K. Harishchandra Prasad	Chairperson	NED (I)	3
Mr. B. V. Subbaiah	Member	NED (I)	3
Mr. J. Sivaram Prasad	Member	NED (I)	3
Mr. J. Venkata Krishna	Member	NED (P)	3
Mr. Ramakrishna Prasad Musunuri (w.e.f. 01.07.2023)	Member	NED (I)	3

Year 2023-24. The performance evaluation of the Independent Directors was carried out by the entire Board.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors and Chairperson is satisfactory.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

i. The terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations, and inter-alia include:

- Formulation of investor servicing policies.
- Review and redressal of investor complaints.
- Approval/overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of new / duplicate certificates, Demat/ Remat requests, administering the unclaimed shares suspense account.
- Allotment of shares on exercise of Options by employees under the Employees Stock

Option Scheme/Plan; and

- Performing other functions as delegated to it by the Board from time to time.
- ii. The committee met Once (1) on February 10, 2024 during the financial year ended March 31, 2024. The details of composition and attendance record of the members at the meeting were as follows:inter-alia include:

Name	Designation	Category	No. of Meetings
Mr. B. V. Subbaiah	Chairperson	NED (I)	1
Mr. J. S. Rao	Member	NED (P)	1
Mrs. J. Triveni	Member	NED (P)	1
Mr. Jasti Venkata Krishna	Member	NED (P)	1
Mr. Ramakrishna Prasad Musunuri (w.e.f. 01.07.2023)	Member	NED (I)	1

iii. During the year, the Company received Nil complaints from the shareholders. There were no complaints pending at the end of the financial year.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The terms of reference of the Corporate Social Responsibility & Sustainability Committee includes all the matters specified in Section 135 of Act and inter alia, includes:

- a. Formulate and recommend to the Board, a Corporate Social Responsibility and Sustainability Policy, which shall indicate the activities to be undertaken by the

company in areas or subject, specified in Schedule VII, and the business responsibility and sustainability policies of the Company;

- b. Recommend the amount of expenditure to be incurred on the activities referred in clause (a); and
- c. Monitor the Corporate Social Responsibility and Sustainability Policy, the business responsibility and sustainability Policy of the company from time to time.”

The committee met Once (1) during on May 30, 2023 in the FY 2023-24. The details of composition and attendance record of the members at the meeting were as follows:

Name	Designation	Category	No. of Meetings
Mr. B. V. Subbaiah	Chairperson	NED (I)	1
Mr. K. Harishchandra	Member	NED (I)	1
Mr. J. Sivaram Prasad	Member	NED (I)	1
Mr. J. S. Rao	Member	ED (P)	1
Mr. Jasti Venkata Krishna	Member	NED (P)	1

E. RISK MANAGEMENT COMMITTEE

As per Regulation 21 of the Listing Regulation, constitution of Risk Management Committee is mandatory for top 1000 companies. Hence, it is not mandatory for our company to constitute

this committee. However, as a matter of good compliance, the company has formed a risk evaluation/management committee consisting of the following members on 29.05.2015.

Name	Designation	Category
Mr. J. S. Rao	Chairperson	ED (P)
Mr. B. V. Subbaiah	Member	NED (I)
Mr. J. Sivaram Prasad	Member	NED (I)

Term of reference

- a. Formulate and recommend to the Board, Risk Management Policies.
- b. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c. Monitor the Risk Management Policies of the company from time to time.
- d. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

- e. such other terms as specified in the companies Act 2013 and Listing Agreement or modifications made thereof and as may be delegated by the Board.

IV. REMUNERATION TO DIRECTORS

A. Remuneration to Executive Directors i.e. Managing Director (MD) and Whole-time Directors (WTD)

Name of Directors	Salary	Perquisites	Stock Option	Sweat Equity	Commission	Others, please specify	Total
Mr. J. S. Rao	84	ED (P)	-	-	-	-	84
Mrs. J. Triveni	84	NED (I)	-	-	-	-	84

B. Remuneration to Non-Executive directors

Sl.No.	Particulars of Remuneration	Name of Directors					Total Amount in (Rs.)	
		K. Harishchandra Prasad, Independent Director	B.V. Subbaiah, Independent Director	J. Sivaram Prasad, Independent Director	J. Venkata Krishna, Non-executive Director	Ramakrishna Prasad Musunuri, Independent Director		
1.	Independent Directors							
	Fee for attending board / committee meetings	60,000	62,500	52,500	-	45,000	2,77,500	
Commission								
	Others, please specify							
	Total (1)	60,000	62,500	52,500	-	45,000	2,77,500	
2	Other Non-Executive Directors							
	Fee for attending board/ committee meetings	-			57,500			
	Commission							
	Others, please specify							
	Total (2)	60,000	62,500	52,500	-	45,000	2,77,500	
	Total Remuneration (1+2)	60,000	62,500	52,500	57,500	45,000	2,77,500	

V. GENERAL BODY MEETING**A. Annual General Meetings**

Financial Year	Date	Time	Venue/ Mode/ Location	Special Resolution passed in the AGM
2022-23	September 25, 2023	11:30 A.M.	Video Conferencing Mode	Continuation of Mr. J. S. Rao as the Managing director (DIN: 00029090) of the Company even after attaining the age of 70 years.
2021-22	September 21, 2022	11:00 A.M.	Video Conferencing Mode	None.
2020-21	September 20, 2021	11:00 A.M.	Video Conferencing Mode	<ol style="list-style-type: none"> Re-appointment of Mrs. J. Triveni as Executive chairperson and Whole Time Director of the Company. Re-appointment of Mr. J. S. Rao as Managing director of the Company.

B. Postal Ballot

During the year under review pursuant to the provisions of Section 110 and other applicable provisions, if any, the Act, read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") and Listing Regulations, the Members of the Company had passed Special resolution through postal ballot via remote e-voting facility on April 23, 2024, approving the following:

- Reappointment of Mrs. Triveni jasti (DIN: 00029107) as Executive Chairperson and Whole time director of the company and fixing of the remuneration.
- Reappointment of Mr. Sheshagiri Rao Jasti (DIN: 00029090) as Managing Director of the Company and fixing of the remuneration.

The Board had appointed VCSR & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

The remote e-voting commenced from March 25, 2024 to April 23, 2024. The resolution were said to be passed by Special

majority on April 23, 2024. The details of the voting pattern is as follows:

Procedure for Postal Ballot

Pursuant to the provisions of Section 110 and other applicable provisions, if any, the Act, read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") and Listing Regulations the Company provided e-voting facility to its shareholders to cast their votes electronically through remote e-voting platform by CDSL. The Company has dispatched the notice of the Postal Ballot to all the members/ beneficial owners as on the Cut-off date Friday, March 22, 2024. The Company also published a notice in Newspapers regarding completion of dispatch of postal ballot notice. The e-Voting commenced at 9:00 A.M. (IST) on Monday, March 25, 2024 and ended on Saturday, April 23, 2024 at 5:00 P.M. (IST). The scrutineer submitted the report after completion of the scrutiny and the results of voting by postal ballot were then announced. The voting results were communicated to the Bombay Stock Exchange at www.bseindia.com besides being displayed on the website of the Company, i.e. www.keerthiindustries.com and on the website of CDSL at www.evotingindia.com.

Resolution (1)		Resolution required: (Ordinary / Special)		Resolution (1)		Special	
Whether promoter/promoter group are interested in the agenda/resolution?		Yes		REAPPOINTMENT OF MRS. TRIVENI JASTI (DIN: 00029107) AS EXECUTIVE CHAIRPERSON AND WHOLE TIME DIRECTOR OF THE COMPANY AND FIXING OF THE REMUNERATION			
Description of resolution considered							
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100	
Promoter and Promoter Group	E-Voting	6005951	100.0000	6005951	0	100.0000	0.0000
Total	Poll	6005951	100.0000	6005951	0	100.0000	0.0000
Public-Institutions	Postal Ballot (if applicable)	3324	0	0.0000	0	0	0
Total	E-Voting	3324	0	0.0000	0	0	0
Public- Non Institutions	Poll	2007463	7594	0.3783	7579	15	0.1975
Total	Postal Ballot (if applicable)	8016738	6013545	75.0124	6013530	15	99.9998
Whether resolution is Pass or Not.							Yes
Disclosure of notes on resolution							Add Notes
Details of Invalid Votes							
Category	No. of Votes						
Promoter and Promoter Group							
Public Institutions							
Public - Non Institutions							

Resolution (2)		Resolution required: (Ordinary / Special)		Resolution (2)		Special			
Whether promoter/promoter group are interested in the agenda/resolution? Yes		REAPPOINTMENT OF MR. SHESHAGIRI RAO JASTI (DIN: 00029090) AS MANAGING DIRECTOR OF THE COMPANY AND FIXING OF THE REMUNERATION							
Description of resolution considered									
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled		
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100			
Promoter and Promoter Group	E-Voting	6005951	100.0000	6005951	0	100.0000	0.0000		
Total	Poll	6005951	100.0000	6005951	0	100.0000	0.0000		
Public-Institutions	Postal Ballot (if applicable)	3324	0	0.0000	0	0	0		
Total	E-Voting	3324	0	0.0000	0	0	0		
Public- Non Institutions	Poll	2007463	7594	0.3783	7579	15	0.1975		
Total	Postal Ballot (if applicable)	8016738	6013545	75.0124	6013530	15	99.9998		
Whether resolution is Pass or Not.							Yes		
Disclosure of notes on resolution							Add Notes		
Details of Invalid Votes									
Category	No. of Votes								
Promoter and Promoter Group									
Public Institutions									
Public - Non Institutions									

VI. MEANS OF COMMUNICATION

The quarterly, half yearly and yearly financial results were sent to the Bombay Stock Exchange immediately after the Board approves the same and are also published in 'The Financial Express', English newspaper and in 'Mana Telangana/Ninadam Hyderabad', vernacular newspaper. The same is also uploaded in the Company's website at: <http://www.keerthiindustries.com/financial-results.html>

Plant Location and address for investors correspondence:

- Plant Locations:

Plant Locations	
Registered Office & Electronics	Cement
Plot No. 40, IDA, Balanagar, Hyderabad, Telangana- 500037, Tel: 040-23076543	Mellacheruvu (Village & Mandal), Suryapet District, Telangana- 508246, Tel: 08683-226028

The Shareholders may correspond with the Company for the redressal of their grievances, if any, to the Registered Office of the company.

- Plot No. 40, I.D.A, Balanagar, Hyderabad- 500037.
Tel: 040-23078748,
E-mail ID: kilinvestorservices@gmail.com

B. Annual General Meeting

Date and Time	Monday, August 05, 2024 at 11.00 AM
Venue/ Mode	Video Conferencing mode

D. Listing on Stock Exchanges

The Equity shares of the Company are listed on BSE Limited (BSE) having its registered office at Pheroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400001; Scrip Code: 506395.

VII. GENERAL SHAREHOLDER INFORMATION

A. Corporate Identification Number

L11100TG1982PLC003492;

BSE Scrip Code: 518011

C. Financial Year

The Company follows Financial Year from April 01 to March 31. The Current Financial Year of the Company is April 1, 2023 to March 31, 2024.

Month	High	Low
April 2023	145.50	129.20
May 2023	148.15	127.10
June 2023	140.35	127.35
July 2023	141.40	129.20
August 2023	142.00	125.30
September 2023	146.45	129.10
October 2023	144.00	130.25
November 2023	144.75	115.85
December 2023	139.40	121.30
January 2024	151.45	124.05
February 2024	152.00	127.25
March 2024	149.90	106.35

F. Registrar & Share Transfer Agent

M/s. XL Softech systems Limited,
Plot No. 3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad -500 034,
Tel: 040-23545913, 14.
Email: xlfield@gmail.com

G. Share Transfer System

Share transfer, transmission, issue of duplicate share certificate and claim of unclaimed shares is done via demat mode through the depositories with no involvement of the Company.

H. Shareholding Pattern as on March 31, 2024

Category of Shareholders	No. of Shares Held	Percentage as a total no. of Shareholding
Promoter and Promoter group	6005951	74.92
Public Institutions	3324	0.04
Body Corporates	85616	1.07
Indian Public (including trusts & HUF)	1804465	22.51
Non- Resident Indians	117382	1.46
Grand Total	8016738	100.00

I. Distribution of shareholding

of the Company by number of shares held as on March 31, 2024 is as follows:

Particulars	Shareholders		Shareholding	
	Number	%	Value	%
UPTO - 5000	12306	96.55	10295210	12.84
5001 - 10000	293	2.25	2276280	2.84
10001 - 20000	99	0.76	1434140	1.79
20001 - 30000	18	0.14	442810	0.55
30001 - 40000	10	0.08	346250	0.43
40001 - 50000	9	0.07	412560	0.51
50001 - 100000	8	0.06	574260	0.72
100001 & ABOVE	13	0.10	64385870	80.31
Total	12756	100.00	80167380	100.00

J. Dematerialization of Shares

The Company's equity shares are dematerialized on Central Depository Services (India) Limited (CDSL) and National Securities Depositories Limited (NSDL). The Company's ISIN is INE145L01012. As on March 31, 2024, mode of holding shares is as under

Mode of Holding	No. of Shares	Percentage
Demat mode	6964522	86.88
Physical mode	1052216	13.12
Total	8016738	100

K. Outstanding GDRs/ ADRs/ Warrants or Convertible Instruments

No GDRs/ ADRs/Warrants has been issued by the Company or Convertible Instruments has been issued by the Company.

L. Commodity price risk or foreign risk and hedging activities

The Company does not have commodity price risk nor does the Company engage in hedging activities.

VIII. DISCLOSURES:

A. Related Party Transactions (RPTs)

There were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is disclosed on website of the Company and can be accessed through the following link: <http://www.keerthiindustries.com/images/Related-Party-Transaction-Policy-2022.pdf>

B. Non-Compliances by the Company

During the year under review, Non Compliance under Section 6(1) of the SEBI (LODR) Regulations, 2015, took place wherein the Company has appointed the Compliance Officer after the expiry of three months from the resignation of the previous Compliance Officer. Hence for the quarter ended March 31, 2024 the Company has paid a fine amounting to Rs. 33,040 (28,000+ 5,040 GST) to the Bombay Stock Exchange as there was a delay of 28 days from the said period of three months to appoint the Compliance Officer.

Ms. Ashdeep Kaur was appointed as the Company Secretary & Compliance Officer w.e.f. March 06, 2024.

C. Vigil Mechanism and Whistle Blower Policy

We have established Whistle Blower policy, a mechanism for employees to report concerns about unethical behavior, fraud or violation of code of conduct of the company. It is hereby affirmed that the mechanism provides direct access to the designated Ethics Counselor /Chairman of the Audit Committee for exceptional cases. All employees can also directly meet the Audit Committee members of the company and no personnel was denied access to the Audit Committee.

The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company and can be accessed through the following link: <http://www.keerthiindustries.com/images/whistle-blower-policy.pdf>.

D. Subsidiary Company

The Company does not have any subsidiary Company or any material subsidiary company. Hence the requirement for framing policy for determining 'material' subsidiaries is not applicable. The disclosure for the loans and advances in which directors are interested is also not applicable to the Company.

E. Recommendations of Committees

All recommendations of Committees of Board of Directors, were accepted by the Board.

F. Certificate of Non-Disqualification of Directors

None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the Listing Regulations, certificate obtained from M/s. VCSR & Associates, Practicing Company Secretaries on Non-Disqualification of Directors of the Company is annexed herewith as Annexure E.

G. Statutory Auditor Fee

The total fee paid by the Company to the statutory auditor for all the services during the Financial Year 2023-24 is 2.50 Lakhs.

H. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy to prevent and deal with Sexual Harassment at Workplace. During the period under review, no Complaints were received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I. Mandatory and non-mandatory requirements

The Company has complied with the mandatory requirements within the allowed time and adopted, to the extent practicable to adopt, non-mandatory requirements as required under the Listing Regulation.

J. Discretionary Requirements

Most of the discretionary requirements as specified in Part E of Schedule II of the Listing Regulation, which were practicable for the company to adopt have been adopted and applied.

K. Compliances with Corporate Governance Requirements

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

L. Code of Conduct

As required under Clause D of Schedule V of the Listing Regulation the Managing Director of the Company has furnished the requisite Certificates to the Board of Directors affirming that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Company's code of conduct. The Certificate is annexed herewith as **Annexure F**.

Place: Hyderabad

Date: 25.05.2024

M. CEO/MD and CFO Certification

As required by the Regulation 17 (8) and Part B of Schedule II of the Listing Regulation the certificate from Managing Director and CFO annexed herewith as **Annexure G**.

N. Compliance Certificate on Corporate Governance

M/s. VCSR & Associates, Practicing Company Secretaries has certified that the company has complied with the conditions of the Corporate Governance as stipulated in Regulations 17 to 27 and other applicable provisions of Listing Regulation and The Certificate is annexed herewith as **Annexure H**.

For and on behalf of the Board

For Keerthi Industries Limited

J. Triveni

Executive Chairperson & Whole Time Director

DIN: 00029107

Annexure E

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

M/s. Keerthi Industries Limited,

Hyderabad.

We, M/s. VCSR & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Keerthi Industries Limited having CIN: L11100TG1982PLC003492 and having registered office at Plot 40, IDA, Balanagar, Hyderabad-500037 Telangana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Designation
1.	Triveni Jasti	00029107	Executive Chairperson
2.	Seshagiri Rao Jasti	00029090	Managing Director
3.	Venkata Subbaiah Boddu	01147062	Independent Director
4.	Harishchandra Prasad Kanuri	00012564	Independent Director
5.	Sivaram Prasad Jetty	00221271	Independent Director
6.	Venkata Krishna Jasti	09041310	Non-executive Director
7.	*Ramakrishna Prasad Musunuri	01781225	Independent Director

*During the Audit period Mr. Ramakrishna Prasad Musunuri was appointed as Independent Director on 01.07.2023.

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

Place: Hyderabad
Date: 25.05.2024

For VCSR & Associates
Company Secretaries

Sd/-Ch Veeranjaneyulu
Partner
CP NO. 6392, M No. F6121
Peer Review No: 751/2020
UDIN: F006121F000473566

Annexure F

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

To,

The Members of Keerthi Industries Limited

I, J. S. Rao, the Managing Director of the Company hereby certify that the Board of Directors of Keerthi Industries Limited has adopted a code of conduct for the Board Members and Senior Management of the Company ("the code"). The code is available on the website of the Company at www.keerthiindustries.com

Pursuant to Clause D of Schedule V of the SEBI (LODR) Regulation, 2015, I hereby declare that all Board members and Senior Management personnel have affirmed compliance with the Code for the financial year ended March 31, 2024.

Place: Hyderabad

Date: 25.05.2024

For Keerthi Industries Limited

Sd/-

J. S. Rao
Managing Director

Annexure G

CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LODR) REGULATION, 2015

Dear Shareholder,

We, Mr. J. S. Rao, Managing Director and Mr. Y. Sadasiva Rao, CFO of M/s Keerthi Industries Limited hereby certifies that:

- A. We have reviewed the financial statements and the cash flow statement for the FY 2023-24 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the state of affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which that are aware and the steps have taken or propose to take to rectify these deficiencies.
- D. There are
 - a. no significant changes in internal controls over financial reporting during the year;
 - b. no significant changes in the accounting policies during the year and the Company has adopted Indian Accounting Standard (IND-AS);
 - c. no instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.
- E. We have fully complied with the Accounting Manual of the Company and reviewed very carefully the checklists prepared by the Company.

For Keerthi Industries Limited

Sd/-

J. S. Rao

Managing Director

Place: Hyderabad

Date: 25.05.2024

Sd/-

Y. Sadasiva Rao

CFO

Place: Hyderabad

Date: 25.05.2024

Annexure H**Practicing Company Secretary's Certificate on compliance of conditions of Corporate Governance as per Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015**

To

The Members of

M/s. Keerthi Industries Limited,

Hyderabad.

We have examined the compliances of requirements of Corporate Governance by M/s. KEERTHI INDUSTRIES LIMITED, for the year ended on 31st March, 2024 as stipulated under regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (LODR) Regulation, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management;

We certify that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company/RTA.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and applicable clauses from (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V the SEBI (LODR) Regulation, 2015.

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

**For VCSR & Associates
Company Secretaries**

Sd/-
(Ch. Veeranjaneyulu)
Partner

CP No. 6392, M No. F6121
Peer Review No: 751/2020
UDIN: F006121F000473665

Place: Hyderabad

Date: 25.05.2024

C. FINANCIAL REPORTS



INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. Keerthi Industries Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **KEERTHI INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2024, 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 on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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

Basis for Opinion

We conducted our audit of the 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 Auditors responsibility for the Audit of 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes.32.1 to the Financial Statements	Principal audit procedures Our audit procedures include the following substantive procedures: <ul style="list-style-type: none"> • Obtained understanding of key uncertain tax positions; and • We along with our internal tax experts – <ul style="list-style-type: none"> ▶ evaluated the Design and tested the operating effectiveness of controls around the assessment of the matter; ▶ Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; ▶ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ▶ Assessed management's estimate of the possible outcome of the disputed cases; Assessed the appropriateness of disclosures made under the head 'Contingent Liabilities' in the financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under 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 of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records,

relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in place and the operating effectiveness of such controls.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - b) 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 cash flow statement dealt with by this Report are in agreement with the books of account,
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act,
 - f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g) With respect to the Managerial remuneration 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
– Refer Note 32.1 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There 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;
- 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 (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid dividend during the year.

vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Hyderabad
Date: 25.05.2024

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K.SHRAVAN)
Partner

Membership No. 215798
UDIN: 24215798BKESK7478

Annexure - A to the Auditor's Report

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date ,to the members of KEERTHI INDUSTRIES LIMITED, for the year ended March 31,2024.,

- 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.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a regular program of physical verification of its property, plant and equipment, and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- d. The company did not revalue its Property, Plant and Equipment or intangible assets during the year. Accordingly, paragraph 3 (i)(d) of the Order is not applicable.
- e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- ii. a. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, 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.
- b. The company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks on the basis of security of current assets and the quarterly returns filed by the company are in agreement with the books of accounts except as stated in Note No. 20, quarterly returns varied with books of accounts, with regard to Inventories, trade receivables and trade payables.
- iii. During the year the Company has not made investments in, granted any loans or advance in the nature of loans, guarantee or security, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Therefore, the provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)f of the said Order are not applicable for the year under report.
- iv. The Company has not given any loans or made any investments or given any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, clause 3 (iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a. According to the records, the company is regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2024 for a period of more than six months from the date they became payable.

b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute except the following.

Name of the Statute	Nature of Dues	Amount (Rs.)	Amount paid under protest (Rs.)	Period to which amount related	Forum where dispute is pending
Erstwhile A P General Sales Tax Act	Tax on packing material	18,77,197	Nil	FY1990-91 and FY1991-92	Sales Tax Appellate Authority
Central Sales Tax Act	Central Sales Tax	39,25,213	19,08,835	FY 2000-01, the Order was passed during FY 2007-08	AP Sales Tax Tribunal
Karnataka Sales tax dept.	Sales Tax	6,20,112	Nil	FY 1993-94	Hon'ble High Court of Karnataka
Telangana Entry Tax	Entry VAT Dues	46,89,148	16,41,202	FY 2012-13 to 2017-18	Appellate Deputy Commissioner (CT), Hyderabad
Telangana VAT Act	Interest on Sales Tax Deferment Loan	14,45,68,015	Nil	From FY 2015	Hon'ble High Court of Telangana

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 (43 of 1961) which have not been recorded in the books of accounts.

ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.

b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c. The 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 on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

e. The company does not have subsidiaries, associates or joint ventures. Hence clause 3(ix) (e) of the Order is not applicable;

f. The company does not have subsidiaries, associates or joint ventures. Hence clause 3(ix) (f) of the Order is not applicable.

x. a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

b. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the 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 reports of the Internal Auditors for the period under audit.;

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) ad (c) of the Order is not applicable

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under 3(xvi)(d) of the Order is not applicable;

xvii. The company has incurred cash losses amounting to Rs. 870.97 lakhs only during the current financial year and had incurred cash losses amounting to Rs. 158.82 lakhs during the immediately preceding financial year.

xviii. There is no resignation of statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 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. a. According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of the said Act. Accordingly, reporting under clause 3(xxi)(a) of the Order is not applicable for the year.

b. Amount of Rs. 27.32 Lakhs remaining unspent under sub section (5) of section 135 of Companies Act, 2013, pursuant to any ongoing project, has been transferred to special account as stated in Note No. 36 of the financial statements.

xxi. The Company does not have subsidiaries, associates or joint ventures. Hence clause 3 (xxi) of the said Order with regard to qualifications or adverse remarks in CARO reports of the companies included in the consolidated financial statements, is not applicable.

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K.SHRAVAN)
Partner

Place: Hyderabad
Date: 25.05.2024

Membership No. 215798
UDIN: 24215798BKESK7478

Annexure – B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of We have audited the internal financial controls with reference to financial statements of KEERTHI INDUSTRIES LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 ICAI.

**for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S**

**(K.SHRAVAN)
Partner**

Place: Hyderabad
Date: 25.05.2024

Membership No. 215798
UDIN: 24215798BKESK7478

**Balance Sheet
as at 31st March 2024**

(₹ In Lakhs)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2 (A)	11,435.78	7,988.89
(b) Capital Work-in-progress	2 (B)	174.55	4,140.51
(c) Other Intangible assets	3	8.44	10.42
(d) Financial Assets			
(i) Investments		0.06	0.06
(ii) Other financial assets	4	1,068.44	1,084.74
(e) Deferred Tax Assets (net)	19	82.32	
(f) Other non-current assets	5	258.58	284.91
(2) Current assets			
(a) Inventories	6	2,754.95	3,141.49
(b) Financial Assets			
(i) Investments	7	316.06	272.20
(ii) Trade Receivables	8	598.65	656.52
(iii) Cash and cash equivalents	9	42.88	138.23
(iv) Bank balances other than (iii) above	10	107.13	104.61
(v) Loans	11	8.15	5.45
(vi) Others	12	55.32	40.10
(c) Current Tax Assets (Net)	13	95.45	115.82
(d) Other current assets	14	433.49	776.39
Total Assets		17,440.25	18,760.34
(1) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	801.67	801.67
(b) Other Equity	16	5559.21	7149.46

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,471.85	5,085.76
(b) Provisions	18	203.52	164.12
(c) Deferred Tax Liability(net)	19	0.00	431.27
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,587.03	1,409.01
(ii) Trade payables	21	-	-
a. Total oustanding due of Micro Enterprises and Small Enterprises	-	11.56	-
b. Total oustanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,790.93	1,580.94
(iii) Other financial liabilities	22	543.71	581.44
(b) Other current liabilities	23	1,418.15	1,537.73
(c) Provisions	18	52.62	18.94
Total Equity and Liabilities		17440.25	18760.34

Material Accounting Policies

The accompanying notes from 1 to 44 form an integral part of the financial statements

As per our report of even date
for Brahmaya & CO.

Chartered Accountants
Firms' Registration No.: 000513S

Sd/-
K.Shravan
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2024

Sd/-
(J.Triveni)
Executive Chairperson
DIN:00029107

Sd/-
(Y.Sadasivarao)
Chief Financial Officer

Sd/-
(J.S.Rao)
Managing Director
DIN:00029090

Sd/-
(Ashdeep Kaur)
Company Secretary

Profit and Loss Statement

Statement of Profit and Loss for the year ended 31st March 2024

(₹ In Lakhs)

Particulars	Note No.	Current Year	Previous year
I. Revenue from operations	24	21,211.79	24,056.39
II. Other income	25	133.83	235.56
III. Total Revenue (I+II)		21,345.62	24,291.95
IV. Expenses			
(1) Cost of materials consumed	26	3,078.40	3,340.95
(2) Changes in inventories of finished goods and work-in-progress	27	454.17	(855.60)
(3) Employee benefits expense	28	2,535.29	2,282.49
(4) Power and Fuel		9,436.64	12,314.25
(5) Packing and Forwarding		4,796.30	5,523.70
(6) Finance costs	29	607.05	333.00
(7) Depreciation and amortization expense	2,3	1,203.07	948.97
(8) Other expenses	30	1,308.73	1,487.75
Total expenses		23,419.65	25,375.51
V. Profit / (Loss) before Exceptional Items (III-IV)		(2,074.03)	(1,083.56)
VI. Exceptional Items	31	-	24.23
VII. Profit / (Loss) before tax (V-VI)		(2,074.03)	(1,107.79)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(505.30)	(185.46)
(3) Income tax of earlier year		-	(198.39)
IX. Profit / (Loss) after tax for the year (VII-VIII)		(1,568.73)	(723.94)
X. Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
- Actuarial gains/(losses) of defined benefit plans		(29.80)	(14.28)
- Tax impacts on above		8.29	-
B Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year (net of tax)		(21.51)	(14.28)
XI. Total Comprehensive Income for the year (IX+X)		(1,591.24)	(738.22)
XII. Earnings per equity share (face value of Rs.10/-)			
Basic & Diluted (in Rupees)	38	(19.57)	(9.03)

Material Accounting Policies

The accompanying notes from 1 to 44 form an integral part of the financial statements

As per our report of even date
for Brahmaya & CO.
Chartered Accountants
Firms' Registration No.: 000513S

Sd/-
K.Shravan
Partner
Membership No. 215798

Sd/-
(J.Triveni)
Executive Chairperson
DIN:00029107

Sd/-
(Y.Sadasivara)
Chief Financial Officer

Place: Hyderabad
Date: 25.05.2024

For and on behalf of Board Directors

Sd/-
(J.S.Rao)
Managing Director
DIN:00029090

Sd/-
(Ashdeep Kaur)
Company Secretary

Cash Flow Statement

(₹ In Lakhs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. Cash Flow From Operating Activities		
Profit/ (Loss) before tax	(2,074.03)	(1,107.80)
Adjustments for:		
Depreciation and amortization expense	1,203.07	948.97
Interest income	(71.97)	(54.61)
Dividend Income	-	-
Finance Cost	607.05	333.00
Net (gain)/loss on Mutual Funds	(43.86)	(23.61)
Government Grant	-	(114.79)
Exceptional Income		
Operating Profit before working capital Changes	(379.74)	(18.84)
Movement in Working Capital		
Decrease/(increase) in inventories	386.53	(322.33)
Decrease/(increase) in trade receivables	57.87	(33.75)
Increase / (decrease) Trade payables	1,221.55	436.57
Decrease / (Increase) in financial assets	13.60	(114.98)
Decrease / (Increase) in non-financial assets	369.21	782.00
Increase / (decrease) in financial liabilities	(62.14)	20.95
Increase / (decrease) in other liabilities	(119.63)	(106.96)
Increase / (decrease) in Provisions	51.58	10.02
Cash Generated from Operations	1,538.83	652.68
Taxes (Paid) or Refund (Net)	12.08	(14.35)
Net Cash flow from Operating Activities (A)	1,550.91	638.33
Cash Flow From Investing Activities		
Purchase of Property plant and equipment and intangible assets incl. CWIP	(682.02)	(3,535.91)
Purchase of Investments	-	13.17
Movement in other bank balances	(2.52)	(74.11)
Interest Received	56.76	51.89
Dividend Received	-	-
Net cash flow generated/(used) from investing activities (B)	(627.78)	(3,544.96)
Cash flows from financing activities		
Proceeds from/(repayment of) long-term loans and borrowings, net	(613.85)	2,997.54
Proceeds from/(repayment of) short-term loans and borrowings, net	202.67	439.97

Dividend paid including DDT	-	(120.25)
Interest paid	(607.30)	(308.79)
Net cash from/(used in) financing activities (C)	(1,018.48)	3,008.47
Net increase in cash and cash equivalents (A+B+C)	(95.35)	101.84
Cash and cash equivalents at the beginning of the period/year	138.23	36.39
Cash and cash equivalents at the end of the year	42.88	138.23
Component of Cash and Cash Equivalent		
Cash in Hand	1.69	2.22
Balance with banks In current Account	28.68	124.11
Balance with term deposits (with original maturity of 3 months or less)	12.51	11.90
Total Cash and Cash Equivalents in Cash Flow Statement	42.88	138.23

The above statement of cash flow has been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7-Statement of Cash Flows.

**As per our report of even date
for Brahmaya & CO.**

Chartered Accountants

Firms' Registration No.: 000513S

Sd/-
K.Shravan
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2024

For and on behalf of Board Directors

Sd/-
(J.Triveni)
Executive Chairperson
DIN:00029107

Sd/-
(Y.Sadasivarao)
Chief Financial Officer

Sd/-
(J.S.Rao)
Managing Director
DIN:00029090

Sd/-
(Ashdeep Kaur)
Company Secretary

2. Notes forming part of Financials

Statement of Changes in Equity for the year ended 31st March,2024

A. Equity Share Capital

Particulars	As at	
	31 st Mar 2024	31 st Mar 2023
At the beginning of the year	801.67	801.67
Changes in equity share capital during the year	-	-
At the end of the year	801.67	801.67

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Retained Earnings		
Balance as at 01 st April 2023	939.55	1,038.44	5,181.78	(10.31)	7,149.46
Total Comprehensive Income for the year ended 31 st March, 2024	939.55	1,038.44	5,181.78	(10.31)	7,149.46
Balance as at 31 st March 2024	939.55	1,038.44	3,613.04	(31.82)	5,559.21

Notes

Nature & Purpose of Reserves

(a) Capital Reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve. This Reserve also represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

(b) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own

shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of the Companies Act, 2013.

(c) Retained Earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(d) Re-measurement of defined benefit obligations

The reserve represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company.

**As per our report of even date
for Brahmaya & CO.**

Chartered Accountants

Firms' Registration No.: 000513S

Sd/-
K.Shravan
Partner
Membership No. 215798

Place: Hyderabad
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Sd/-
(J.Triveni)
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Chief Financial Officer

Sd/-
(J.S.Rao)
Managing Director
DIN:00029090

Sd/-
(Ashdeep Kaur)
Company Secretary

DESCRIPTION OF THE COMPANY AND MATERIAL ACCOUNTING POLICIES.

CORPORATE INFORMATION

Keerthi Industries Limited (the 'company') is a public limited company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the company is located at Plot No. 40, IDA, Balanagar, Hyderabad - 500037.

The company is engaged in the business of manufacturing, selling and distribution of Cement under the brand name "SUVARNA". The company also manufactures printed circuit boards.

1. MATERIAL ACCOUNTING POLICIES

1.1. Statement of Compliance

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133

The re-measurement gains/(losses) are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to profit or loss.

For and on behalf of Board Directors

The financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3. Current Vs 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 (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

1.4 Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1.5 Property, Plant and Equipment

• Measurement and recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial

recognition at cost. Following initial recognition, items of property, plant and equipment other than land are carried at their cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at cost of acquisition.

The cost of an item of property, plant and equipment comprises the purchase price and any cost attributable to bring the asset to its location and working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

• Capital Work in Progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

• Depreciation and amortization methods

a) Depreciation is provided on Straight Line Method on the assets, other than office equipment, furniture & fixtures and vehicles of Cement Division, on which depreciation is provided on Written Down Value Method, over the useful lives specified in Schedule II to the Companies Act, 2013.

a) Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded or demolished

during the year is being provided up to the date on which such assets are sold, discarded or demolished.

• Impairment

a) Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset are no longer existing or have decreased.

• Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

1.5 Property, Plant and Equipment

• Measurement and recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment other than land are carried at their cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at cost of acquisition. The cost of an item of property, plant and equipment comprises the purchase price and any cost attributable to bring the asset to its location and

working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

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Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

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b) Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded or demolished during the year is being provided up to the date on which such assets are sold, discarded or demolished.

• Impairment

a) Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by

amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset are no longer existing or have decreased.

• Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

1.6 Intangible Assets

• Computer Software

Computer software is measured on initial recognition at cost. Following initial recognition, software is carried at its cost less accumulated amortization and accumulated impairment losses.

• Amortization Methods

The carrying amount of computer software is amortized over the useful life as estimated by the Management which is about 6 years for ERP software and 3 years all other intangible computer software assets.

• Impairment

a) Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by

which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset are no longer existing or have decreased.

• Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

1.7 Borrowing Costs

Borrowing costs to the extent attributable to the acquisition or construction of a qualifying fixed asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as expenses in the Statement of Profit and Loss in the period in which they are incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs include interest (calculated using Effective Interest Method) and other cost incurred in connection with the borrowing of funds.

1.8 Inventories

Finished goods and Work in progress are valued at the lower of cost or net realizable value.

Raw materials, stores and spares and packing material are valued at cost except where net realizable value of the finished goods they are used in, is less than the cost of finished goods and in such an event, if the replacement cost of such materials is less than their book values, they are valued at replacement cost.

Scrap is valued at Net realizable value.

The cost is computed on weighted average basis.

Cost of raw materials comprises cost of purchases and includes all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity.

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

Spare parts, stand-by equipment and servicing equipment are recognized in accordance with this Ind AS-16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory.

1.9 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.

Financial Assets

• Initial recognition and measurement:

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

• Subsequent measurement:

For subsequent measurement, the Company classifies its financial assets into the following categories:

(i) Amortized cost

(ii) Fair value through profit and loss (FVTPL)

(iii) Fair value through other comprehensive income (FVOCI).

a) Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss.

The company while applying above criteria has classified all the financial assets (except investments in mutual funds) at amortized cost.

b) Financial Asset measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

The company while applying above criteria has identified that there are no financial assets that can be classified at fair value through other comprehensive income

c) Financial Asset measured at fair value through profit and loss (FVTPL)

Financial Assets are measured at fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost

or at FVOCI. All fair value changes are recognized in the statement of Profit & Loss.

Investments in Mutual funds are classified as financial assets measured at FVTPL.

• Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

• Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Financial Liabilities

• Initial Recognition and Measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

• Subsequent Measurement

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognized in the profit or loss. The Company doesn't designate any financial liability at fair value through profit or loss.

b. Financial liabilities at amortized cost

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

• Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

1.10 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight-line basis over the expected lives of the related assets.

The Company has received refundable government loans at below-market rate of interest which are accounted in accordance with the recognition and measurement principles of Ind AS 109, 'Financial Instruments'. The benefit of below-market rate of interest is measured as the difference between the initial carrying value of loan determined in accordance with Ind AS 109 and the proceeds

received. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

1.11 Revenue

Revenue is recognised to depict the transfer of promised products or services to customers.

Revenue is measured at the fair value of consideration received or receivable and is recognized to the extent that it is probable that the economic benefits will flow to the Company.

- Sale of goods:**

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods have passed to the buyer. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, value added taxes.

- Interest / Dividend**

Interest Income is recognized using the Effective interest rate (EIR) method. Dividend income is recognized when right to receive is established.

1.12 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.

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

1.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Statement of Cash Flows, cash and cash equivalents consists of short term deposits, as defined above, net of outstanding bank overdraft as they are being considered as integral part of the Company's cash management.

1.14 Income taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes using tax rates enacted, or substantively enacted, by the end of the reporting period.

1.15 Provisions and contingent liabilities

Provisions are recognized when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.16 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

1.17 Foreign Currency transactions

- Functional and Reporting Currency:**

The Company's functional and reporting currency is Indian National Rupee.

- Initial Recognition:**

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

- Conversion on reporting date:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

- Exchange Differences:**

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

1.18 Employee Benefits

- Defined Contribution Plan**

Employer's contribution to Provident Fund/ Employee State Insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

- Defined Benefit Plan**

- a. Gratuity**

Gratuity liability is in the nature of defined benefit obligation. Such liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits". Actuarial gain/ (loss) in the valuation are recognized as other comprehensive income for the period.

b. Compensated absences

Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits".

1.19 Dividends

Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognized on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognized directly in equity.

1.20 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and

allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

1.21 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are nonrecurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

1.22 Recent accounting pronouncements

(i) **Adoption of recent accounting pronouncements**
The Company applied for the first time these amendments of Ind AS 8 , Ind AS 1 and Ind AS 12 and there is no material impact on financials.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(₹ In Lakhs)

Sl. No.	Particulars	GROSS BLOCK		As at 31.03.2023	Additions Deductions	Up to 31.03.2023	For the year	Depreciation	Up to 31.03.2024	As at 31.03.2023	NET BLOCK
		As at 31.03.2024	As at 31.03.2023								
(A) Property, Plant and Equipment:											
1	Land:										
	Freehold: Cement Division	674.77	-			674.77	-	-	-	674.77	674.77
	Sugar Division	497.59	-			497.59	-	-	-	497.59	497.59
2	Buildings:										
	Factory	3,508.53	799.07	-	4,307.60	1,720.85	121.43	-	1,842.28	2,465.32	1,787.68
3	Non-Factory	818.92	152.34	-	971.26	192.07	27.91	-	219.97	751.29	626.85
4	Plant & Machinery	15,056.63	3,148.76	61.67	18,143.72	11,446.43	833.54	58.60	12,221.38	5,922.34	3,610.20
5	Electrical Installations	3,247.27	440.38	-	3,687.65	2,739.65	132.62	-	2,872.27	815.38	507.62
6	Furniture & Fixtures	100.95	10.54	-	111.49	75.77	6.30	-	82.07	29.42	25.18
7	Office Equipment	77.09	8.57	-	85.66	67.75	3.87	-	71.62	14.04	9.34
8	Vehicles	309.14	-	-	309.14	141.54	52.35	-	193.89	115.25	167.60
9	Other Assets	65.68	45.43	-	111.11	33.02	5.61	-	38.63	72.48	32.66
10	Data Processing Equipment	142.04	10.78	-	152.82	124.25	11.89	-	136.14	16.68	17.79
11	Effluent Treatment Plant	19.49	-	-	19.49	18.52	-	-	18.52	0.97	0.97
12	Generators	49.74	0.71	-	50.45	20.11	2.19	-	22.30	28.15	29.63
	Lab Equipment	7.50	34.47	-	41.97	6.49	3.38	-	9.87	32.10	1.01
	Total	24,575.34	4,651.05	61.67	29,164.72	16,586.46	1,201.08	58.60	17,728.94	11,435.78	7,988.89
(B) Capital work in progress											
	Other Intangible Assets										
	Computer Software	202.38	-	-	202.38	191.95	1.99	-	193.94	8.44	10.42
	Total (I+II+III)	28,918.23	5,041.50	4,418.08	29,541.65	16,778.41	1,203.07	58.60	17,922.88	11,618.77	12,139.82
	Less:Internal transfers										
	Total	28,918.23	685.09	61.67	29,541.65	16,778.41	1,203.07	58.60	17,922.88	11,618.77	12,139.82
	Previous Year	26,096.10	3,819.35	997.22	28,918.23	16,551.46	948.97	722.02	16,778.41	12,139.82	9,552.86

2 B Movement of capital work-in-progress

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
Opening Balance	4,140.51	941.81
Additions during the Year	390.45	3,352.83
Capitalisation during the Year	4,356.41	154.13
Closing Balance	174.55	4,140.51

CWIP Ageing Schedule

(₹ In Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	"1-2 years"	"2-3 years"	"More than 3 years"	Total
As at 31st March,2024					
Project in Process	166.95	7.60	-	-	174.55
Projects Temporally Suspended	-	-	-	-	-
As at 31st March,2023					
Project in Process	3,208.22	932.29	-	-	4,140.51
Projects Temporally Suspended	-	-	-	-	-

4. Other financial assets

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
Consumption Deposit with CPDCL	569.36	567.61
Security Deposit	8.00	8.00
Margin Money Deposits with Banks for a period more than 12 months	491.08	509.13
Total	1068.44	1084.74

5. Other non - current assets (Unsecured,considered good)

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
Advances for Capital items	63.27	89.60
Voltage Surcharge paid under protest (Refer Note 32.1)	72.06	72.06
Sales Tax paid under protest (Refer Note 32.1)	123.25	123.25
Total	258.58	284.91

6. Inventories

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
Raw materials	522.12	644.81
Stores and spares	795.63	802.48
Coal	579.07	379.32
Packing Material	53.49	56.07
Work-in-progress	536.25	960.03
Finished goods	266.78	279.59
Srap (Valued at Net realisable value)	1.61	19.19
Total	2754.95	3141.49

7. Investments

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
Investment at fair value through profit or loss		
Quoted		
Units of Mutual Funds	316.06	272.2
Total	316.06	272.2

8. Trade Receivables (Unsecured,considered good)

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
A Secured	-	-
B Unsecured		
i) Considered good	598.85	656.83
ii) Significant increase in credit risk	-	-
iii) Credit impaired	-	-
Less : Provisions for Doubtfull allowances	(0.20)	(0.31)
Total	598.65	656.52

Trade receivables ageing schedule

(₹ In Lakhs)

Particulars	Not Due	< 6 months	Outstanding as at March 31, 2024						
			6 months-1 year	1-2 years	More than 3 Years	2-3 years	> 3 years	total	
i. Undisputed trade receivables considered good	500.20	83.53	14.69	-	0.43	-	-	598.85	
ii. Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-	
iii. Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
Total	500.20	83.53	14.69	0.00	0.43	0.00	0.00	598.85	
Less: Allowance for doubtful receivables				(0.20)			(0.20)		
Net Trade Receivables	500.20	83.53	14.69	0.00	0.23	0.00	0.00	598.65	

Trade receivables ageing schedule

(₹ In Lakhs)

Particulars	Not Due	< 6 months	Outstanding as at March 31, 2023						
			6 months-1 year	1-2 years	More than 3 Years	2-3 years	> 3 years	total	
i. Undisputed trade receivables considered good	550.00	50.85	52.44	3.54	-	-	-	656.83	
ii. Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-	
iii. Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
Total	550.00	50.85	52.44	3.54	0.00	0.00	0.00	656.83	
Less: Allowance for doubtful receivables				(0.31)			(0.31)		
Net Trade Receivables	550.00	50.85	52.44	3.23	0.00	0.00	0.00	656.52	

9. Cash and cash equivalents

(₹ In Lakhs)

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Balances with banks		
- In current accounts	28.68	124.11
- in term deposits (with original maturity of 3 months or less)	12.51	11.90
Cash on hand	1.69	2.22
Total	42.88	138.23

10. Other Bank Balances

(₹ In Lakhs)

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
- Unclaimed dividends - Earmarked balances with banks	49.69	49.83
- In margin money deposits with balance maturity of period less than 12 months	57.44	54.78
Total	107.13	104.61

Note: Fixed receipts are with the bankers with alien marked in their favour towards the overdraft/bank guarantee limits sanctioned by them.

11. Loans

(₹ In Lakhs)

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Advances to staff(Unsecured , considered good)	8.15	5.45
Total	8.15	5.45

12. Other financial assets (Unsecured, considered good)

(₹ In Lakhs)

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Sundry deposits	3.71	2.48
Interest accrued	51.61	37.62
Total	55.32	40.10

13. Current tax assets (net)

(₹ In Lakhs)

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Advance Income tax & TDS Receivable (Net of Provisions)	95.45	115.82
Total	95.45	115.82

14. Other current assets (Unsecured, considered good)

Particulars	(₹ In Lakhs)	
	As at 31st Mar 2024	As at 31st Mar 2023
Sundry deposits	0.20	0.20
Vendor advances	216.46	617.94
Prepaid Expenses	101.50	106.80
Goods & Service Tax Input Credit	115.33	51.45
Total	433.49	776.39

15. Equity Share Capital

Particulars	(₹ In Lakhs)	
	As at 31st Mar 2024	As at 31st Mar 2023
a. Authorised:	Rs.	Rs.
2,73,00,000 Equity Shares of Rs.10/- each	2,730	2,730
b.Issued, subscribed and fully paid:		
80,16,738 Equity Shares of Rs.10/- each	801.67	801.67

a. Reconciliation of Equity Shares outstanding at the end of the reporting period

Particulars	As at		(₹ In Lakhs)	
	31st Mar 2024		31st Mar 2023	
	No. of shares	Amount	No. of shares	Amount
	Rs.		Rs.	
Shares outstanding at the beginning of the year	8,016,738	801.67	8,016,738	801.67
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	8,016,738	801.67	8,016,738	801.67

b. Terms/ rights attached to equity shares

- (i) The Company has only one class of equity shares having a face value of Rs. 10 per share.
- (ii) Each holder of equity share is entitled to one vote per share.
- (iii) The dividends recommended by the Board of Directors if any, are subject to the approval the shareholders in the ensuing Annual General Meeting.
- (iv) In the event of liquidation of the Company, the equity share holders are entitled to receive the remaining assets of the Company after distribution of all preferential claims, in proportion to the number of shares held.

c. List of shareholders holding more than 5% of total number of shares in the company

Name of the Share Holder	31st Mar 2024		31st Mar 2023	
	Number of Shares held	% holding	Number of Shares held	% holding
Equity Shares of Rs.10/- each:				
Sri. J S Rao	3,701,559	46.17	3,701,559	46.17
Smt.J Triveni	2,195,348	27.38	2,195,348	27.38

(d) Shares held by promoters of the Company

Promoter's Name	FY 2023-24		% change during the year	
	No of Shares	% total shares		
Equity Shares of Rs.10/- each:				
Sri. J S Rao	3,701,559	46.17	-	-
Smt. J Triveni	2,195,348	27.38	-	-
Jasti Venkata Krishna	87,347	1.09	-	-
Jasti Sarada Govardhin	21,697	0.27	-	-

Promoter's Name	FY 2022-23		% change during the year	
	No of Shares	% total shares		
Equity Shares of Rs.10/- each:				
Sri. J S Rao	3,701,559	46.17	-	-
Smt. J Triveni	2,195,348	27.38	-	-
Jasti Venkata Krishna	87,347	1.09	-	-
Jasti Sarada Govardhin	21,697	0.27	-	-

16. Other Reserves

Particulars	31st Mar 2024		31st Mar 2023	
	Rs.	Rs.		
Capital Reserve		939.55		939.55
Capital Redemption Reserve		1038.44		1,038.44
Retained Earnings		3613.04		5,181.78
Other Comprehensive Income		(31.82)		(10.31)
Total		5559.21		7,149.46

17. Borrowings

Particulars	Non-current portion		Items of Other Comprehensive Income		(₹ In Lakhs)	
	As at 31st Mar 2024	As at 31st Mar 2023	As at 31st Mar 2024	As at 31st Mar 2023		
Secured-at amortised cost						
a) Term loans from banks:						
- Axis Bank	1,982.27	2,706.12	570.00	285.00		
- Axis Bank	111.94	-	43.06	-		
b) Vehicle or Equipment Loans						
i) From Banks:						
- Kotak Mahindra Bank Ltd	3.89	6.24	2.05	1.56		
- HDFC Bank Ltd.	43.00	66.12	23.12	21.31		
ii) From Others						
- Cholamandalam Finance & Investments Finance Ltd.	1.95	4.04	3.09	3.80		
- Kotak Mahindra Prime Ltd	14.39	18.83	4.44	4.08		
- Kotak Mahindra Prime Ltd	53.95	70.61	16.67	15.29		
Unsecured						
(a) From Related parties:						
Inter Corporate Deposits	2,260.46	2,213.80	-	-		
Total	4,471.85	5,085.76	662.43	331.04		

A. All the installments falling due within 12 months from the date of Balance Sheet have been classified as current maturities, the aggregate amounts are shown under 'short term borrowings'.

B. The term loan Axis Bank is secured by:

- (a) First charge on the fixed assets of the Company,
- (b) Second Charge on Current Assets of the Company and
- (c) Pledge of equity shares of the company held by the promoters equivalent to 30% of the equity shares of the company. The said charges and the pledge are on pari passu basis.

C. The term loan obtained from the bank(other than vehicle loans) are guaranteed by two of the directors of the Company in their individual capacities.

D. Vehicle or Equipment loans are secured by hypothecation of the vehicles/ equipments financed through the loan arrangements.

E. Terms and repayment details of term loans :

Particulars	Rate of Interest	31st March 2024		As at 31st March 2023		
		Number of installments outstanding	Amount Rs. in lakhs	Number of installments outstanding	Amount Rs. in lakhs	
Secured:						
Term loans:						
- Axis Bank Ltd	9.60%	54	2,552.27	60	2,911.22	
- Axis Bank Ltd - ECLGS	9.25%	36	155.00	-	-	
Vehicle or Equipment Loans						
- Kotak Mahindra Bank Ltd	9.89%	32	5.95	44	7.80	
- Cholamandalam Finance & Investments Finance Ltd.	9.78%	19	5.03	31	7.84	
- HDFC Bank Ltd.	8.20%	32	66.12	44	87.42	
- Kotak Mahindra Prime Ltd	8.63%	45	18.93	57	22.91	
- Kotak Mahindra Prime Ltd	8.63%	45	70.61	57	85.90	

F. Unsecured: Inter corporate deposits carry an interest of 10% per annum..

18. Provisions

Provision for employee benefits	Non-current portion		Current Maturities	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Gratuity	120.66	95.14	6.08	1.84
Compensated absences	82.86	68.98	19.22	17.09
CSR PAYABLE	-	-	27.32	-
Total	203.52	164.12	52.62	18.94

(₹ In Lakhs)

Particulars	As at 31st March 2024	Recognised in Statement of Profit & Loss	Recognised in Other Comprehensive Income	MAT Credit utilised	As at 31 March 2023	Recognised in Statement of Profit & Loss	Recognised in Other Comprehensive Income	MAT Credit utilised	As at 31 March 2022
Deferred Tax Liabilities									
Property, Plant & Equipment & Intangible assets	861.22	5.28	-	-	-	855.95	(198.83)	-	1,054.77
Fair Value adjustments of financial liabilities	10.54	5.96	-	-	4.58	20.89	-	-	(16.31)
Deferred Tax Assets	871.76	11.23	-	-	860.53	(177.94)	-	-	1,038.46
Unused Tax Losses	513.28	-	-	-	81.07	7.52	-	-	73.55
Employee Benefits & Statutory Liabilities allowed on Payment Basis	92.61	3.25	8.29	-	348.19	-	164.96	183.23	
MAT Credit entitlement	348.19	-	-	-	429.26	7.52	-	164.96	256.78
MAT Credit Utilisation recognised in Other Equity	954.08	3.25	8.29	-	-	-	-	-	-
Net Deferred Tax Liability/(Asset)	(82.32)	7.98	(8.29)	-	431.27	(185.46)	-	(164.96)	781.68

19. Deferred Tax**20. Short-term borrowings**

(₹ In Lakhs)

Particulars	As at	
	31st Mar 2024	31st Mar 2023
A. Secured		
Current Maturities of Long Term Loan (Refer note 17)	662.43	331.04
Axis Bank - Cash Credit	892.73	969.61
State Bank of India - Overdraft	24.66	-
Axis bank Credit card	0.06	101.21
Total (a)	1,579.88	1,401.86
B. Unsecured		
From Others	Rs.	Rs.
Trade and Rent Deposits	7.15	7.15
Total (b)	7.15	7.15
Total (a+b)	1,587.03	1,409.01

(i) Cash Credit from Axis Bank sanctioned limit of Rs.10.00 crores, is secured by way of hypothecation of work-in-process, finished goods, raw materials, stores and spares, receivables both present and future and also by a second charge on the immovable properties and other fixed assets of the company. Further working capital loans are guaranteed by two of the directors of the Company individually.

(ii) Working capital facility with Axis Bank obtained for Cement Division is secured against all the chargeable current assets of the Company including raw materials, stock in progress, finished goods, stores and spares and receivables both present and future. To comply with the provisions of loan arrangement, select information relating to trade receivables, inventories, and creditors for purchases are considered relevant. The differences as reported above is mainly attributed to use of information extracted from books prior to book closures. Management has taken necessary steps to minimise such differences by way of seeking extension for submission of information only after formal book closures for the relevant periods

Qtr Ended	Inventories		Trade Receivables/(Advance Recd)			Trade Payables			
	As per Books	Reported to Banker	Short/ Excess	As per Books	Reported to Banker	Short/ Excess	As per Books	Reported to Banker	Short/ Excess
31st Mar 2024	1,955.78	1,917.00	38.8	1.2	0.0	1.2	1,886.85	619.87	1,266.97
31st Dec 2023	2,393.04	2,393.16	(0.1)	0.1	0.0	0.1	1,697.83	1,088.99	608.84
30th Sep 2023	2,199.70	2,199.72	(0.0)	4.3	0.0	4.3	1,417.28	709.82	707.47
30th Jun 2023	2,511.38	2,508.29	3.1	0.9	0.0	0.9	1,557.98	1,210.34	347.64

(iii) Bank Overdraft from State Bank of India is secured against pledge of Fixed Deposits and payable on demand (Refer Note 4)

21. Trade payables

Particulars	As at		(₹ In Lakhs)
	31st Mar 2024	31st Mar 2023	
Trade Payables (Refer Note Below)			
Total Outstanding dues of Micro and Small Enterprises	11.56	-	
Total Outstanding dues of Other than Micro and Small Enterprises	2,790.93	1,580.94	
Total	2,802.49	1,580.94	

Note : Dues to MICRO and SMALL Enterprise

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

- The principal amount remaining unpaid to any supplier at the end of the year
- Interest due remaining unpaid to any supplier at the end of the year
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year
- 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 under the MSMED Act, 2006
- The amount of interest accrued and remaining unpaid at the end of each accounting year
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006"

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Trade payables Ageing Schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					(₹ In Lakhs)
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total	
MSME	11.56	-	-	-	11.56	
Others	2,776.49	12.68	1.77	-	2,790.93	
Disputed- MSME	-	-	-	-	-	
Disputed dues - Others	-	-	-	-	-	
Total	2,788.05	12.68	1.77	-	2,802.49	

Trade payables Ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					(₹ In Lakhs)
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total	
MSME	-	-	-	-	-	-
Others	1,533.82	47.12	-	-	1,580.94	
Disputed- MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	1,533.82	47.12	-	-	1,580.94	

22. Other financial liabilities

Particulars	As at		(₹ In Lakhs)
	31st Mar 2024	31st Mar 2023	
i. Interest accrued but not due	0.79	1.04	
ii. Outstanding expenses	210.72	197.78	
iii. Creditors for capital goods	101.85	180.44	
iv. Employee benefits payable	230.35	202.18	
Total	543.71	581.44	

23. Other current liabilities

Particulars	Current Year	Previous Year	(₹ In Lakhs)
i. Advances from customers	882.52	907.19	
ii. Statutory remittances	485.45	580.22	
iii. Unclaimed Dividend (Equity)	50.18	50.32	
Total	1,418.15	1,537.73	

24. Revenue from operations

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Sale of cement	19362.45	22139.16	
Sale of printed circuit boards	1849.34	1872.26	
Sale of Wind Power	-	44.97	
Total	21211.79	24056.39	

25. Other Income

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Interest Income	71.97	54.61	
Miscellaneous income	5.57	23.54	
Gain from foreign exchange fluctuations (Net)	12.43	19.01	
Gain on fair value of Mutual Fund	43.86	23.61	
Government Grants	-	114.79	
Total	133.83	235.56	

26.Raw materials consumed

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Opening Stock	644.81	612.04	
Add: Purchases during the year	2955.71	3373.72	
	3600.52	3985.76	
Less: Closing Stock	522.12	644.81	
TOTAL	3078.40	3340.95	

Details of raw materials consumed

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Lime stone	1026.70	978.56	
Fly Ash	503.90	374.61	
Gypsum	411.76	597.07	
Laterite	120.02	254.45	
Others	269.80	420.87	
Electronic Division	746.22	715.39	
Total	3078.40	3340.95	

27. Changes in inventories of finished goods and work-in-progress

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Finished Goods	279.60	138.36	
Work-in-process	960.02	263.24	
Scrap	19.19	1.61	
	1258.81	403.21	
Less: Closing Stock:			
Finished Goods	266.78	279.60	
Work-in-process	536.25	960.02	
Scrap	1.61	19.19	
(Increase)/ Decrease in stocks	454.17	(855.60)	

28.Employee Benefits Expense

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Salaries and Wages	2234.92	2008.78	
Contribution to provident and other funds	114.33	105.12	
Gratuity, bonus and incentives	93.22	79.41	
Staff welfare expenses	92.82	89.18	
Total	2535.29	2282.49	

29.Finance Costs

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Interest expense:			
Working capital loans	82.38	57.79	
Term loans	272.74	9.08	
Unsecured loans	221.73	219.41	
Others	30.20	22.30	
Unwinding of interest on sales tax deferment	-	24.42	
Total	607.05	333.00	

30.Other Expenses

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Consumption of stores	495.95	623.65	
Repairs to: buildings			
: plant and machinery	136.82	184.43	
: others	25.41	14.07	
Taxes & Duties	33.34	27.83	
Insurance	67.68	61.70	
Auditors remuneration - Audit fee	2.50	2.50	
- Tax Audit	0.50	0.50	
- Certification	0.75	0.60	
Miscellaneous Expenses	473.55	544.37	
Selling And distribution expenses	72.23	28.11	
Total	1308.73	1487.75	

31.Exceptional item

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Loss on sale of asset	-	24.23	
Total	-	24.23	

Note :

Consequent to the approvals received from the Board of Directors on November 13,2021 ,the Company has transferred the wind power division on a going concern basis by way of slump sale to Mission Bio fuels India Pvt. Ltd. effective March 31 2023 for a consideration of Rs.223.96 Lakhs. Loss on disposal of assets amounting to Rs.24.23 Lakhs is shown as exceptional item.

Explanatory Notes & Other Disclosures

32.1. Contingent Liabilities (Claims/Demands not acknowledged as debt).

(₹ In Lakhs)

	As at 31.03.2024	As at 31.03.2023
(i) Bank Guarantee	453.31	452.32

(ii) A.P. General Sales Tax liability of Rs. 18.77 lakhs (Upto 31.03.2023 – Rs. 18.77 lakhs) on packing materials purchased during the accounting years 1990-91 and 1991-92 as the Company preferred appeals before Appellate Authorities and the same are pending.

(iii) In the year 2007-08, A.P. Commercial Tax Department had revised the CST Assessment for the year 2000-2001 and demanded Rs. 39.25 lakhs. The company got stayed the demand through an order of Hon'ble High Court of A.P. and the department had collected Rs. 19.09 lakhs around 50% of the demand which is grouped under Other Non-Current assets. On Company's Appeal to the Sales Tax Appellate Tribunal, the Tribunal has set aside the demand and remanded the matter to assessing authorities. No provision is made in the accounts for the disputed tax of Rs. 39.25 lakhs.

(iv) Karnataka Sales Tax demand of Rs. 6.20 lakhs (Upto 31.03.2023 – Rs. 6.20 lakhs,) for the accounting year 1993-94 as the company preferred an appeal in the Hon'ble High Court of Karnataka.

(v) **a) Voltage surcharge:** In the year 2003-04, Central Power Distribution Company of A.P. Ltd. had levied Voltage Surcharge of Rs. 130.29 lakhs for getting the energy through general lines over and above the contracted load instead of dedicated lines. As getting the energy through dedicated line is not within the control of the company, the company challenged the levy before Hon'ble High Court of Andhra Pradesh and the High Court was pleased to pass an order staying the collection of the said levy. However, the Company has paid Rs. 72.06 lakhs (31.03.2023 – Rs. 72.06 lakhs) under protest and shown under Other Non current assets and the said amount was not provided for in the books. The appeal is pending.

b) Fuel Surcharge Adjustment (FSA): FSA for the period from April 2008 to June 2010 amounting to Rs. 248.75 lakhs which were stayed by the Hon'ble High Court of judicature at Hyderabad for the states of Telangana and Andhra Pradesh, was not accounted.

(vi) Commercial tax department, Government of Telangana has issued demand notice for the payment of entry tax Rs.46.89 lakhs pertaining to financial year 2012-13 to 2017-18. Company has filed appeals before the Appellate Deputy Commissioner (CT), Hyderabad Rural Division by paying 35% of the disputed tax. As the appeals are dismissed by the Appellate Deputy Commissinoner(CT), Company filed writ petitions before Hon'ble Court of Telengana and Hon'ble Court of Telengana has given stay orders.

(v) Commercial tax department, Government of Telangana has issued a demand notice of Rs. 1445.68 Lakhs towards interest on the delayed repayment of sales tax deferment loan by applying amended Rule 67 of Telangana Value Added Tax Rules. Aggrieved by the order the Company has challenged the demand before Hon'ble High Court of Telengana and the Hon'ble High Court was pleased to pass an order staying the collection of the said levy. Accordingly, no provision is made in these financial statements as of March 31, 2024.

32.2 Capital Commitments

Estimated amount of contracts to be executed on capital account – Rs.4.72 Lakhs (Net of advances)

32.3 The National Savings Certificate VIII issue (shown under non- current investments) has been pledged with Sales Tax Department towards Sales Tax Deposit by Electronics Division.

33. Capital Management

The company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the company. The objective of the Company's capital management policy is also to ensure availability of funds at competitive cost for its operational and developmental needs and maintain strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short term borrowings

The company's policy is aimed at combination of short term and long-term borrowings. The company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises debt to equity ratio:

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Debt	6058.88	6494.77
(b) Cash & Cash Equivalents	42.88	138.23
(c) Net Debt (a-b)	6016.00	6356.54
(d) Total Equity	6,360.88	7951.13
Gearing Ratio (c)/(d)	0.95	0.80

34. Income Taxes

(i) Reconciliation of Tax Expense and Accounting profit multiplied by Applicable tax rate

	Current Year	Previous Year
(i) Tax expense recognized in Statement of Profit and loss		
Current Tax		
Deferred Tax (including MAT Credit Entitlement)	(505.30)	(185.46)
Income tax of earlier years	-	(198.39)
Total	(505.30)	(383.85)

(ii) Effective tax Reconciliation

(a) Profit/(loss) before tax	(2,074.03)	(1,107.80)
(b) Applicable tax rate	27.82%	27.82%
(c) Tax expense on -/(Credit) Net profit (a*b)	(577.00)	(308.20)
(d) Increase/(decrease) in tax expenses on account of:		

	Current Year	Previous Year
- Exempt Income	-	-
- Expenses not allowed under income tax	9.40	14.89
- Income tax of earlier years	-	(198.39)
- Others	62.30	107.85
Total (d)	71.69	(75.65)
(e) Tax Expense as per Statement of Profit and loss (c+d)	(505.30)	(383.85)

35. Employee Benefits:

i) Contributions to Defined Contribution Plans

Particulars	Current Year	Previous Year	(₹ In Lakhs)
Contribution to Provident and other funds	110.17	100.91	
Contribution to Employee State Insurance	4.16	4.21	
Total	114.33	105.12	

ii) Defined Benefit Plan

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India.

Disclosure for defined benefit plans based on actuarial reports:

	Current Year	Previous Year	(₹ In Lakhs)
Particulars			
A Changes in Present Value of Defined Benefit Obligation			
Opening defined benefit obligation	421.34	382.96	
Interest cost	30.28	27.11	
Current services cost	28.09	23.67	
Benefits paid	(34.14)	(24.85)	
Actuarial(gains)/losses on obligation	27.41	12.45	
Closing defined benefit obligation	472.98	421.34	
B Changes in Fair Value of Plan Assets			
Opening Fair value of plan assets	324.37	304.14	
Expected Return	24.26	22.22	
Contributions	34.14	24.85	
Benefits paid	(34.14)	(24.85)	
Premium expenses	-	-	
Actuarial Gain/loss	(2.39)	(1.99)	
Closing fair value of plan assets	346.24	324.37	

Particulars	Current Year	Previous Year
C Expenses recognized in statement of profit and loss		
Current Service Cost	28.09	23.67
Interest Cost on benefit obligation	30.28	27.11
Expected return on plan assets	(24.26)	(22.22)
Premium Expenses		
Total	34.11	28.56
D Expenses recognized in Other Comprehensive Income		
Actuarial(gains)/losses on obligation	27.41	12.45
Return on plan assets (greater)/lesser than discount rate	2.39	1.83
Total	29.80	14.28
E Actuarial Assumptions		
Future Salary Rise	5%	5%
Rate of Discounting	7.22%	7.50%
Attrition rate	1%	1%
Mortality table	IAALM 2012-14	IAALM 2012-14
Average Balance Service	18.10	17.52

F. Sensitivity Analysis

(i) Reconciliation of Tax Expense and Accounting profit multiplied by Applicable tax rate The financial results are sensitive to the actuarial assumptions. The changes to the Defined Benefit Obligations for increase/decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below:

Particulars	31st March 2024 Rs. In Lakhs	
	Increase	Decrease
Salary escalation	29.72	(26.51)
Attrition rate	5.03	(5.71)
Rate of Discounting	(27.01)	30.90

(ai) Leave Encashment (unfunded)

Particulars	Current Year	Previous Year
A Changes in Present Value of Defined Benefit Obligation		
Opening defined benefit obligation	86.08	79.77
Interest cost	5.72	5.29
Current services cost	15.94	31.01
Benefits paid	(19.38)	(14.79)

Actuarial(gains)/losses on obligation	13.71	(15.18)
Closing defined benefit obligation	102.07	86.06
B Expenses recognized in statement of profit and loss		
Current Service Cost	15.94	31.01
Interest Cost on benefit obligation	5.72	5.29
Total	21.65	36.3
C Expenses recognized in Other Comprehensive Income		
Actuarial(gains)/losses on obligation	(13.71)	(15.18)
Total	(13.71)	(15.18)
D Actuarial Assumptions		
Future Salary Rise	5%	5%
Rate of Discounting	7.21%	7.23%
Attrition rate	1%	1%
Mortality table	IALM 2012-14	IALM 2012-14

36. Details of CSR Expenditure

SL.No	Particulars	(Amount in lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
1)	Amount required to be spent by the Company during the year	27.32	37.00
2)	Amount of expenditure incurred on:		
	(i). Construction/acquisition of any asset	20.00	
	(ii) On purposes other than (i) above	17.00	
	(iii) Training to promote rural sports, nationally recognised sports, olympic sports		
3)	Shortfall at the end of the year	27.32	-
4)	Total of previous years shortfall	-	-
5)	Reason for shortfall	Transferred to unspent CSR account after 31st march 2024	NA
6)	Nature of CSR Activities	Training to promote rural sports, nationally recognised sports, olympic sports	
7)	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :		
	Chetan Anand Badminton Foundation	-	15.00

37. Related Party Disclosures

	Name of Related Parties	Year ended March 31, 2024
a.	Hyderabad Bottling Co Ltd.	
b.	Triveni Capital Leasing & Investments Pvt Limited	Enterprises over which key managerial personnel have significant influence
c.	IOU Projects Limited	
d.	DCS SPORTING PRIVATE LIMITED	
e.	Mrs. J Sharada Govardhini (Chief Operating Officer)	Relatives of Key Management Personnel
f.	Mr. B Chetan Anand	
g.	Mrs. J. Triveni (Executive Chairperson)	
h.	Mr. J.S. Rao (Managing Director)	
i.	Mr. Y. Sadasiva Rao (Chief Financial Officer)	
j.	Mr. Arun Kumar Yadav (Company Secretary till 07.11.2023)	
k.	Ms. Ashdeep Kaur (Company Secretary w.e.f. 06.03.2024)	Key Management Personnel
l.	Mr. J. Sivaram Prasad (Independent Director)	
m.	Mr. K. Harishchandra Prasad (Independent Director)	
N	Mr. M Ramakrishna Prasad ((Independent Director w.e.f 01.07.2023)	
o.	Mr. Boddu Venkata Subbaiah (Independent Director)	
p.	Mr. J. Venkata Krishna (Non-Executive Director)	

(i) Transaction with Enterprises over which key management personnel have significant influence:

Nature of transactions	Current Year	Previous Year	Receivable/ (Payable) as on 31.03.2024	Receivable/ (Payable) as on 31.03.2023
Inter Corporate Deposits Repayments-Hyderabad Bottling Company Ltd.	-	-	(1,288.82)	(1,260.54)
Interest Accured- Hyderabad Bottling Company Ltd.	126.22	125.54	-	-
Inter Corporate Deposits Repayments-Triveni Capital leasing & Investments Pvt. Ltd.	-	-	(971.63)	(953.26)
Interest Accrued-Triveni Capital Leasing & Investment Pvt Ltd.	95.50	93.86	-	-

(ii) Transactions with Relatives of Key Management Personnel

Nature of transactions	Current Year	Previous Year	(₹ In Lakhs)	
			Receivable/ (Payable) as on 31.03.2024	Receivable/ (Payable) as on 31.03.2023
Chief Operating Officer- Smt J saradha Govardhani	71.63	64.15	(12.47)	(14.54)
Sale of Cement – DCS Sporting Pvt. Ltd.	1.35	1.69	-	-

(iii) Transactions with Key Management Personnel**a. Executive Chairperson & Managing Director**

Nature of transactions	Current Year	Previous Year	(₹ In Lakhs)	
			Receivable/ (Payable) as on 31.03.2024	Receivable/ (Payable) as on 31.03.2023
Executive Chairperson Remuneration	84.00	84.00	(22.16)	(36.31)
MD Remuneration	84.00	84.00	(17.72)	(8.66)
Executive Chairperson Contribution to P.F.	-	-	-	-

b. other

Nature of transactions	Current Year	Previous Year	(₹ In Lakhs)	
			Receivable/ (Payable) as on 31.03.2024	Receivable/ (Payable) as on 31.03.2023
Remuneration-CFO	60.84	58.74	(3.53)	(4.82)
Remuneration-CS	6.49	7.14	(1.35)	(1.14)
Sitting Fees- Directors	2.78	1.40	-	-

38. Earnings per share

Nature of transactions	Current Year	Previous Year	
(a) Profit/(loss) after tax	(1,568.72)		(723.94)
(b) Weighted average number of equity shares	80,16,738		80,16,738
(c) Nominal value of Shares (Rs.)	10		10
(d) Earnings Per Share- Basic & Diluted (in Rupees)	(19.57)		(9.03)

39. Financial Instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3 as described below.

Level 1 – Quoted prices in an active market:

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

Level 2 – Valuation techniques with observable inputs:

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – Valuation techniques with significant unobservable inputs:

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Classification on financial assets and financial liabilities

Particulars	Amortised cost	Carrying Amount		Fair Value Hierarchy			
		FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
As at 31st March 2024							
Financial Assets							
Investments	0.06	316.06	-	316.12	316.06	-	-
Trade Receivables	598.65	-	-	598.65	-	-	-
Cash and cash equivalents	42.88	-	-	42.88	-	-	-
Bank balances other than (ii) above	107.13	-	-	107.13	-	-	-
Loans	8.15	-	-	8.15	-	-	-
Others	55.32	-	-	55.32	-	-	-
Financial Liabilities							
Borrowings	6,058.88	-	-	6058.88	-	-	-
Trade Payables	2,802.49	-	-	2802.49	-	-	-
Others	543.71	-	-	543.71	-	-	-
As at 31st March 2023							
Financial Assets							
Investments	0.06	272.20	-	272.26	272.20	-	-
Trade Receivables	656.52	-	-	656.52	-	-	-
Cash and cash equivalents	138.23	-	-	126.33	-	-	-

Bank balances other than (ii) above	104.61	-	-	305.57	-	-	-
Loans	5.45	-	-	5.45	-	-	-
Others							
	40.10	-	-	40.10	-	-	-
Financial Liabilities							
Borrowings	6,494.77	-	-	6,494.77	-	-	-
Trade Payables	1,580.94	-	-	1,580.94	-	-	-
Others	581.44	-	-	581.44	-	-	-

40. Financial Risk Management Objectives and Policies

The company is exposed to financial risks arising from its operations and the use of financial investments. The key financial risks include interest rate risk, market risk, credit risk and liquidity risk. The company has risk management policy which not only covers the foreign exchange risks, but also risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management framework aims to:

1.Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the company's business plan.

2.Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives policies and processes for the management of these risks.

(i) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk, currency rate risk, interest rate risk and other price risks such as equity risk. Financial instruments affected by market risk include investments in mutual funds.

a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. Since the Company has only fixed interest-bearing debts, exposure to interest rate risk is minimal.

b. Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from goods supplied or received that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below:

(₹ In Lakhs)	Particulars	Change in Rate	For the year ended 31st March 2024	For the year ended 31st March 2023
	USD	+ 0.50%	0.39	0.38
		- 0.50%	(0.39)	(0.38)

b. Foreign Currency Risk

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company is exposed to price risk arising mainly from investments in Mutual Funds recognized at FVTPL.

Sensitivity analysis of 1% change in price of security as on reporting date.

(₹ In Lakhs)	Particulars	Impact on Profit & Loss 2023-24	Impact on Profit & Loss 2022-23	Impact on OCI 2023-24	Impact on OCI 2022-23
	Mutual Fund (1% change in price)	3.16	2.72	Nil	Nil
	Total	3.16	2.72	Nil	Nil

(ii) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

Long outstanding receivable from customer are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable.

(iii) Liquidity Risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The company ensures that it has sufficient cash on demand to meet expected operational demands including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted

Maturity profile of Financial liabilities

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars					(₹ In Lakhs)
	Less than 1 year	1 to 5 years	> 5 years	Total	
As at 31 March 2024					
Borrowings (including current maturities of Long term debt)	1,587.03	4,471.85	-	6,058.88	
Trade Payables	2,802.49	-	-	2,802.49	
Other financial liabilities	543.71	-	-	543.71	
As at 31 March 2023					
Borrowings (including current maturities of Long term debt)	1,409.01	5,085.76	-	6,494.77	
Trade Payables	1,580.94	-	-	1,580.94	
Other financial liabilities	581.44	-	-	581.44	

Operating Segments

Factors used to identify the reportable segments

Particulars						(₹ In Lakhs)
	Cement Division	Wind Mill	Electronics Division	Unallocated	Total	
External Sales:						
Current Year	19,362.45	Nil	1,849.34		21,211.79	
Previous Year	22,139.17	Nil	1,872.25	44.97	24,056.39	
Inter-segment Sales	Nil	Nil	Nil		Nil	
Total Revenue:						
Current Year	19,362.45	Nil	1,849.34		21,211.79	
Previous Year	22,139.17	Nil	1,872.25	44.97	24,056.39	
Segment Result Before Interest and Tax:						
Current Year	(1,667.13)	Nil	200.15		(1,466.98)	
Previous Year	(1,305.09)		303.51		(1,001.58)	
Less: Unallocated Expense:						
Current Year	-	-	-		-	
Previous Year				(226.78)	(226.78)	
Less: Interest Expenses:						
Current Year	-	-	-	607.05	607.05	
Previous Year	-	-	-	332.99	332.99	
Less: Income Taxes:						
Current Year	-	-	-	-	-	
Previous Year	-	-	-	-	-	
Profit/ (Loss):						
Current Year	(1,667.13)	-	200.15	101.75	(1,568.73)	

Previous Year	(1,305.09)		303.51	277.64	(723.94)
Segment Assets:					
Current Year	14,072.31		2,864.43	503.52	17,440.26
Previous Year	15,636.60	Nil	2,616.53	507.21	18,760.34
Segment Liabilities:					
Current Year	10,647.16		432.21	-	11,079.37
Previous Year	10,520.83	Nil	230.58	-	10,751.41
Depreciation:					
Current Year	1,147.30		53.05	2.72	1,203.07
Previous Year	882.22	Nil	36.49	30.26	948.97
Additions to Property, plant & equipment & Intangible assets:					
Current Year	4,638.26	-	-	-	5,041.51
Previous Year	-	-	-	-	3,819.36
	3,689.89	Nil	129.47	Nil	

(a) Information about Products and Services

Products	Revenues
a. Cement	19,362.45
b. Printed Circuit Boards	1,849.34
TOTAL	21,211.79

(b) Information about geographical areas

Geographical Location	Revenues	Non Current Assets other than financial instruments and deferred tax assets
(A) Within India	21,025.07	12,945.85
(B) Outside India		
USA	180.60	-
Mexico	0.21	-
Malaysia	5.91	-
TOTAL	21,211.79	-

(c) Information about major customers

There are no revenues from transactions with a single customer amounting to 10% or more of the Company's total revenue during the current and previous year.

42. Financial Ratios

Sl. No.	Particulars	Numerator	Denominator	FY 2024	FY 2023	% Variance
(a)	Current Ratio (in times)	Current Assets	Current Liabilities	0.69	1.02	-33%
(b)	Debt-Equity Ratio (in times)	Debt	Equity	0.95	0.82	17%
(c)	Debt Service Coverage Ratio (in times)	Earnings Available for Service	Interest + Principal	0.26	1.05	-75%
(d)	Return on Equity Ratio (in %)	PAT	Average equity	-22%	-9%	NA
(e)	Inventory turnover ratio (in times)	Net sales	Average Inventory	7.19	8.07	-11%
(f)	Trade Receivables turnover ratio (in times)	Net sales	Average trade receivable	33.80	37.61	-10%
(g)	Trade payables turnover ratio (in times)	Purchases and Expenses	Average trade payable	8.70	16.01	-46%
(h)	Net capital turnover ratio (in times)	Net sales	Net Working capital	-10.65	195.99	-105%
(i)	Net profit ratio (in %)	PAT	Net sales	-7%	-3%	NA
(j)	Return on Capital employed (in times)	EBIT	Average capital employed	-11%	-5%	NA
(k)	Return on investment (in %)	Income from Mutual Funds	Time weighted average investment	14%	9%	60%

Note :

- i) Decrease in debt service coverage ratio is due to decrease in earning available for debt service in the current year.
- ii) Net Capital Turnover ratio has increased due to decrease in working capital on account of decrease in current liabilities.
- iii) Decrease in return on equity ratio, net profit ratio and return on capital employed ratio is on account of decrease in profitability due to decrease in revenue and increase in input costs during the current financial year
- iv) Decrease in Current Ratio is due to decrease in current assets & increase in current liability in the current year
- v) Decrease in Debt Service Coverage Ratio is due to decrease in profitability & increase in repayment of borrowings.
- vi) Trade Payables turn ratio has decrease due to increase trade payables during the year.
- vii). Return on investment is increased due to income from Mutual Fund.

43. Additional information

- (i)The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- (ii)The Company do not have any transactions with companies struck off.

(iii) As at March 31, 2024, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. There are certain charges which are historic in nature and it involves practical challenges in obtaining no objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. The Company is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.

(iv) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company 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:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The loan has been utilised for the purpose for which it was obtained and no short term funds have been used for long term purpose.

(viii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year

(x) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

44. Previous Year's figures have been reclassified, wherever necessary so as to conform with those of Current Year.

As per our report of even date

for Brahmayya & CO.

Chartered Accountants

Firms' Registration No.: 000513S

For and on behalf of Board Directors

Sd/-

K.Shravan

Partner

Membership No. 215798

Sd/-

(J.Triveni)

Executive Chairperson

DIN:00029107

Sd/-

(J.S.Rao)

Managing Director

DIN:00029090

Place: Hyderabad

Date: 25.05.2024

Sd/-

(Y.Sadasivarao)

Chief Financial Officer

Sd/-

(Ashdeep Kaur)

Company Secretary