

To the Members of Sagar Cements Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Sagar Cements Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated

financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition - Discounts and Rebates	
See Notes 19 and 40 to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The Group recognises revenue from sale of goods on the transfer of control of goods to customers in accordance with Ind AS 115. Revenue is measured at the transaction price, including the impact of discounts and rebates, which represent variable consideration under the standard.</p> <p>The Group operates across multiple marketing regions and offers various discount and rebate schemes based on factors such as region, product, customer profile, volume, seasonality and market conditions. These schemes form an integral part of the transaction price.</p> <p>Revenue recognition requires careful evaluation due to the high volume of transactions, diverse discount and rebate structures, and the complexity of accurately identifying and applying the relevant schemes across multiple regions, with a combination of automated and manual processes.</p> <p>Considering the significance of revenue to the consolidated financial statements and the risk of misstatement arising from incorrect application or computation of discounts and rebates, this matter was determined to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessing the compliance of the Group's accounting policies relating to discounts and rebates with applicable accounting standards. Assessing the design and implementation and testing the operating effectiveness of general IT controls, key manual and application controls over provisions, approvals and settlement of discounts and rebates. Performing substantive audit procedures by selecting statistical samples of discounts and rebates recorded during the year and matching key terms with approved schemes, underlying documents and credit notes issued by the Group. Assessing the Group's computations for accrual of discounts and rebates, on a statistical sample basis, and comparing the year end accruals made with the approved schemes. Comparing historical trends of discount and rebate payments and reversals with provisions recorded to assess the appropriateness of current year accruals. In addition, performing substantive audit procedures by selecting all items from the reciprocal population and tracing these to revenue recognised and contract liabilities as at the reporting date to identify any unrecorded discounts or rebates. Assessing the reasonableness of discounts and rebates recognised during the year by comparing expectations based on historical trends with actual amounts recognised and investigating any significant or unusual fluctuations. Testing manual journal entries posted to revenue to identify unusual items. Assessing the adequacy of related disclosures in the consolidated financial statements.

Recoverability of Deferred Tax Assets	
See Note 28 to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
<p>Deferred tax assets as at March 31, 2026 include an amount of ₹ 32,357 lakhs pertaining to Andhra Cements Limited ("ACL"), one of the subsidiaries of the Group.</p> <p>Recognition of deferred tax assets in accordance with Ind AS 12 requires management to assess whether it is probable that sufficient future taxable profits will be available to utilise carried forward unused tax losses and unabsorbed depreciation within the prescribed time limits under the Income tax act. This assessment involves significant judgement and estimation, particularly in forecasting future taxable profits based on assumptions relating to revenue growth, capacity utilisation, gross margin, etc.</p> <p>Considering the significance of the deferred tax asset balance, the history of losses, and the judgement and complexity involved in evaluating future taxable profits and the recoverability of deferred tax assets, the matter is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessing the design and implementation and testing the operating effectiveness of management review controls over key inputs and assumptions used in preparing projections of future taxable profits. Evaluating the reasonableness of management's projections by comparing historical forecasts with actual results and assessing consistency with approved budgets and business plans. Reading minutes of meetings to verify approval of budgets by the Board of Directors. Performing sensitivity analysis on key assumptions to assess the impact of reasonably possible changes on recoverability of deferred tax assets. Testing the accuracy of deferred tax computations, including applicable tax rates, utilisation periods and reconciliation with tax records. Assessing the adequacy of related disclosures in the consolidated financial statements.

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report which includes statutory reports such as Management discussion and analysis, Business responsibility and sustainability report, Corporate governance and Board's report, but does not include the financial statements and auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it

exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

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

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion on 12 May 2025.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company on 01 April 2026 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 29(a) to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.
- c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended 31 March 2026.
- d. (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49(v) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Group has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
- i. In case of an accounting software used for general ledger, audit trail (edit log) facility was not enabled at the application level for certain fields relating to master data.



Further, the audit trail (edit log) facility at the database level was not enabled for certain fields in tables relating to books of account. Accordingly, we are unable to comment on whether there were any instances of the audit trail logs being tampered with.

- ii. In the absence of an independent auditor's report from 1 January 2026 to 31 March 2026 in relation to controls at a service organization for an accounting software used for maintaining the books of account relating to leave records of employees, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature for the said software was enabled at the database level to log any direct data changes and operated from 1 January 2026 to 31 March 2026 for all relevant transactions recorded in the software. Further, as per the independent auditor's report for the period

from 1 April 2025 to 31 December 2025, the feature of recording audit trail (edit log) facility was enabled at the database level from 3 April 2025.

Further, for the periods where the audit trail (edit log) facility was enabled and operated for the respective accounting software and except for sub-paragraph (i) above, we did not come across any instance of the audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable during the current year by the Holding Company and

its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R and Co**
Chartered Accountants

Firm's Registration No.: 128510W

Amit Kumar Bajaj
Partner

Membership No.: 218685

ICAI UDIN: 26218685JLVFGM2103

Place: Hyderabad

Date: 13 May 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

on the Consolidated Financial Statements of Sagar Cements Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)



(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by us under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Sagar Cements Limited	L26942TG1981PLC002887	Holding Company	Clause (vii)(a)
2.	Sagar Cements Limited	L26942TG1981PLC002887	Holding Company	Clause (vii)(b)
3.	Andhra Cements Limited	L26942AP1936PLC002379	Subsidiary	Clause (vii)(a)
4.	Andhra Cements Limited	L26942AP1936PLC002379	Subsidiary	Clause (xvii)
5.	Andhra Cements Limited	L26942AP1936PLC002379	Subsidiary	Clause (xix)

For **B S R and Co**

Chartered Accountants

Firm's Registration No.: 128510W

Amit Kumar Bajaj

Partner

Membership No.: 218685

ICAI UDIN: 26218685JLVFGM2103

Place: Hyderabad
Date: 13 May 2026

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act (Referred to in paragraph 2(A)(i)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)****OPINION**

In conjunction with our audit of the consolidated financial statements of Sagar Cements Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Co**
Chartered Accountants

Firm's Registration No.: 128510W

Amit Kumar Bajaj
Partner

Membership No.: 218685

ICAI UDIN: 26218685JLVFGM2103

Place: Hyderabad

Date: 13 May 2026

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	3,05,498	2,95,720
(b) Capital work-in-progress	43	11,577	12,324
(c) Right-of-use assets	3	5,406	2,794
(d) Goodwill	4B	4,162	4,162
(e) Intangible assets			
(i) Mining rights	4A	7,761	8,132
(ii) Other Intangible assets	4A	33	44
(f) Financial assets			
(i) Loans	5	98	77
(ii) Other financial assets	6	5,220	5,029
(g) Deferred tax assets (net)	28	22,629	15,458
(h) Other tax assets (net)	28	1,475	1,542
(i) Other non-current assets	7	10,675	2,741
Total Non-current assets		3,74,534	3,48,023
Current assets			
(a) Inventories	8	31,271	27,360
(b) Financial assets			
(i) Trade receivables	9	22,594	20,417
(ii) Cash and cash equivalents	10	352	7,049
(iii) Bank balances other than (ii) above	11	1,517	9,376
(iv) Loans	5	68	79
(v) Other financial assets	6	12,514	1,324
(c) Other tax assets (net)	28	487	83
(d) Other current assets	7	7,190	3,949
Total Current assets		75,993	69,637
TOTAL ASSETS		4,50,527	4,17,660
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	2,614	2,614
(b) Other equity	13A	1,66,678	1,69,667
Equity attributable to owners of the Company		1,69,292	1,72,281
Non-controlling interests	13B	16,800	7,152
Total Equity		1,86,092	1,79,433
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14A	1,22,978	99,151
(ii) Lease liabilities	35	2,744	1,318
(iii) Other financial liabilities	15	11,616	9,936
(b) Provisions	16	3,059	2,355
(c) Deferred tax liabilities (net)	28	3,458	5,560
Total Non-current liabilities		1,43,855	1,18,320

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14B	44,221	43,649
(ii) Lease liabilities	35	892	462
(ii) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises; and		7,143	3,208
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		27,457	29,543
(iv) Other financial liabilities	15	29,297	28,803
(b) Other current liabilities	18	10,731	13,160
(c) Provisions	16	839	487
(d) Current tax liabilities (net)	28	-	595
Total Current liabilities		1,20,580	1,19,907
Total Liabilities		2,64,435	2,38,227
TOTAL EQUITY AND LIABILITIES		4,50,527	4,17,660
Summary of material accounting policies	1		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even dated attached.

For **B S R and Co**

Chartered Accountants

Firm Registration No: 128510W

Amit Kumar Bajaj

Partner

Membership No: 218685

Place: Hyderabad
Date: May 13, 2026

For and on behalf of the Board of Directors

Dr. S. Anand Reddy

Managing Director

DIN: 00123870

Place: New Delhi

Date: May 13, 2026

J. Raja Reddy

Company Secretary

M. No. A31113

Place: Hyderabad
Date: May 13, 2026

S. Sreekanth Reddy

Joint Managing Director

DIN: 00123889

Place: Chicago, USA

Date: May 13, 2026

K. Prasad

Chief Financial Officer

Place: Hyderabad
Date: May 13, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I Revenue from operations	19	2,65,002	2,25,764
II Other income	20	2,155	2,143
III Total Income (I + II)		2,67,157	2,27,907
IV Expenses			
(a) Cost of materials consumed	21	48,318	42,430
(b) Purchase of stock-in-trade	22	-	592
(c) Changes in inventories of finished goods and work-in-progress	23	2,047	56
(d) Employee benefits expense	24	14,919	13,308
(e) Finance costs	25	19,695	18,813
(f) Depreciation and amortisation expenses	26	23,965	23,075
(g) Power and fuel expense		85,737	79,696
(h) Freight and forwarding expense		51,741	45,885
(i) Other expenses	27	33,041	29,688
Total Expenses		2,79,463	2,53,543
V Loss before exceptional items and tax (III - IV)		(12,306)	(25,636)
VI Exceptional Items	47	-	2,717
VII Loss before tax (V - VI)		(12,306)	(28,353)
VIII Tax expense			
(a) Current tax	28	(940)	-
(b) Deferred tax		(11,293)	(6,685)
Total Tax expense		(12,233)	(6,685)
IX Loss after tax (VII - VIII)		(73)	(21,668)
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefits plan	32	(12)	81
(b) Income tax effect on above	28	5	(34)
Other comprehensive income for the year, net of tax		(7)	47

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
XI Total comprehensive income/ (loss) for the year (IX + X)		(80)	(21,621)
Profit/ (loss) for the year attributable to;			
Owners of the Company		(1,107)	(20,979)
Non controlling interests		1,034	(689)
		(73)	(21,668)
Other comprehensive income for the year attributable to;			
Owners of the Company		(7)	53
Non controlling interests		-	(6)
		(7)	47
Total comprehensive income/ (loss) for the year attributable to;			
Owners of the Company		(1,114)	(20,926)
Non controlling interests		1,034	(695)
		(80)	(21,621)
XII Earnings per equity share (Face value of ₹ 2 each fully paid)	36		
(1) Basic (in ₹)		(0.06)	(16.58)
(2) Diluted (in ₹)		(0.06)	(16.58)
Summary of material accounting policies	1		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even dated attached.

For **B S R and Co**

Chartered Accountants

Firm Registration No: 128510W

Amit Kumar Bajaj

Partner

Membership No: 218685

Place: Hyderabad

Date: May 13, 2026

For and on behalf of the Board of Directors

Dr. S. Anand Reddy

Managing Director

DIN: 00123870

Place: New Delhi

Date: May 13, 2026

J. Raja Reddy

Company Secretary

M. No. A31113

Place: Hyderabad

Date: May 13, 2026

S. Sreekanth Reddy

Joint Managing Director

DIN: 00123889

Place: Chicago, USA

Date: May 13, 2026

K. Prasad

Chief Financial Officer

Place: Hyderabad

Date: May 13, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

A. EQUITY SHARE CAPITAL

Particulars	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid	
Balance as at March 31, 2024	2,614
Changes in equity share capital during the year	-
Balance as at March 31, 2025	2,614
Changes in equity share capital during the year	-
Balance as at March 31, 2026	2,614

B. OTHER EQUITY

Particulars	Attributable to owners of the Company						Non-controlling interests	Total other equity
	Reserves and surplus					Total other equity attributable to owners of the Company		
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of the net defined benefits plan			
Balance as at March 31, 2024	37,551	88,351	3,598	62,165	(157)	1,91,508	7,847	1,99,355
Total comprehensive income for the year ended March 31, 2025								
Loss for the year	-	-	-	(20,979)	-	(20,979)	(689)	(21,668)
Other comprehensive income for the year (net of tax)	-	-	-	-	53	53	(6)	47
Total comprehensive income for the year	-	-	-	(20,979)	53	(20,926)	(695)	(21,621)
Transactions with owners of the Company								
Dividend on equity shares (Refer note 41)	-	-	-	(915)	-	(915)	-	(915)
Total transactions with owners of the Company	-	-	-	(915)	-	(915)	-	(915)
Balance as at March 31, 2025	37,551	88,351	3,598	40,271	(104)	1,69,667	7,152	1,76,819

Particulars	Attributable to owners of the Company						Non-controlling interests	Total other equity
	Reserves and surplus					Total other equity attributable to owners of the Company		
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of the net defined benefits plan			
Total comprehensive income for the year ended March 31, 2026								
(Loss)/ profit for the year	-	-	-	(1,107)	-	(1,107)	1,034	(73)
Other comprehensive income for the year (net of tax)	-	-	-	-	(7)	(7)	-	(7)
Total comprehensive income for the year	-	-	-	(1,107)	(7)	(1,114)	1,034	(80)
Transactions with owners of the Company								
Changes in ownership interest in subsidiary without loss of control (Refer note 46)	(1,988)	-	-	113	-	(1,875)	8,614	6,739
Total transactions with owners of the Company	(1,988)	-	-	113	-	(1,875)	8,614	6,739
Balance as at March 31, 2026	35,563	88,351	3,598	39,277	(111)	1,66,678	16,800	1,83,478
Summary of material accounting policies				1				

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

As per our report of even dated attached.

For **B S R and Co**
Chartered Accountants
Firm Registration No: 128510W

For and on behalf of the Board of Directors

Amit Kumar Bajaj
Partner
Membership No: 218685

Dr. S. Anand Reddy
Managing Director
DIN: 00123870
Place: New Delhi
Date: May 13, 2026

S. Sreekanth Reddy
Joint Managing Director
DIN: 00123889
Place: Chicago, USA
Date: May 13, 2026

J. Raja Reddy
Company Secretary
M. No. A31113

K. Prasad
Chief Financial Officer

Place: Hyderabad
Date: May 13, 2026

Place: Hyderabad
Date: May 13, 2026

Place: Hyderabad
Date: May 13, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A Cash flow from operating activities		
Loss before tax for the year	(12,306)	(28,353)
Adjustments for:		
Depreciation and amortisation expenses	23,965	23,075
Finance costs	19,695	18,813
Interest income	(1,052)	(1,590)
Unwinding of discount on Security deposit	(6)	-
Liabilities no longer required written back	(268)	(2)
Expected credit loss allowance/ (reversal) on trade receivables	396	(130)
Provision for incentives receivable from government	-	750
(Reversal)/ allowance for credit losses on capital advances	(306)	46
Allowance for credit losses on supplier advances	-	132
Provision for inventory	-	111
Unrealised loss/ (gain) on foreign currency transactions and translation	97	(29)
Net (gain)/ loss on fair value change in financial instruments	(132)	85
Profit on sale of property, plant and equipment (net)	(678)	(514)
Advances written off	2	5
	41,713	40,752
Operating profit before working capital changes	29,407	12,399
Changes in working capital		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(2,573)	485
Inventories	(3,911)	3,283
Other financial assets	(2,774)	(347)
Other assets	(3,972)	1,790
	(13,230)	5,211
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	2,020	6,036
Other financial liabilities	5,106	(1,286)
Provisions	674	418
Other liabilities	(2,429)	1,056
	5,371	6,224
Cash generated from operating activities	21,548	23,834
Income tax paid, net	8	(441)
Net cash generated from operating activities	21,556	23,393

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
B Cash flow from investing activities		
Purchase of property, plant and equipment including capital work-in-progress, capital advances and capital creditors	(42,331)	(13,815)
Deposits not considered as cash and cash equivalents		
- Placed	(10,566)	(499)
- Matured	10,317	670
Redemption in other bank balances	3	8
Proceeds from disposal of property, plant and equipment	721	822
Loans given to employees	(112)	-
Repayment of loans from employees	102	-
Interest received	651	1,481
Net cash used in investing activities	(41,215)	(11,333)
C Cash flow from financing activities		
Proceeds from non-current borrowings	39,723	4,588
Repayment of non-current borrowings	(16,003)	(15,880)
Proceeds from sale of equity instruments of a subsidiary (Refer note 46)	8,764	-
Loans given to employees (net)	-	24
Repayment of loan from related party	-	(91)
Payment of principal portion on lease liabilities	(1,024)	(430)
Payment of interest on lease liabilities	(259)	-
Proceeds/ (Repayment) from current borrowings (net)	(63)	10,188
Interest paid	(18,176)	(19,213)
Dividend paid	-	(915)
Net cash generated from/ (used in) financing activities	12,962	(21,729)
Net decrease in cash and cash equivalents (A+B+C)	(6,697)	(9,669)
Cash and cash equivalents at the beginning of the year	7,049	16,718
Cash and Cash equivalents at the end of the year (Refer note 10)	352	7,049
Note:		
Cash and cash equivalents comprises of:		
Cash in hand	4	3
Balances with banks	348	497
Deposits with banks	-	6,549
Cash and cash equivalents (Refer note 10)	352	7,049

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

All amounts are in ₹ Lakhs unless otherwise stated

Changes in liabilities arising from financing activities:

Particulars	As at April 01, 2025	Cash flow changes		Liability related changes*	As at March 31, 2026
		Proceeds	Repayment		
Non-current borrowings (including current maturities of non-current borrowings)	1,13,462	39,723	(16,003)	742	1,37,924
Interest accrued but not due	998	-	(18,176)	18,630	1,452
Loan from related party and others	193	-	-	-	193
Lease liabilities	1,780	-	(1,283)	3,139	3,636
Current borrowings	29,338	-	(63)	-	29,275
Total liabilities from financing activities	1,45,771	39,723	(35,525)	22,511	1,72,480

Particulars	As at April 01, 2024	Cash flow changes		Liability related changes*	As at March 31, 2025
		Proceeds	Repayment		
Non-current borrowings (including current maturities of non-current borrowings)	1,24,754	4,588	(15,880)	-	1,13,462
Interest accrued but not due	1,555	-	(19,213)	18,656	998
Loan from related party and others	284	-	(91)	-	193
Lease liabilities	220	-	(430)	1,990	1,780
Current borrowings	19,150	10,188	-	-	29,338
Total liabilities from financing activities	1,45,963	14,776	(35,614)	20,646	1,45,771

* Liability related changes includes

- interest expense on Non-current borrowings calculated using effective interest rate,
- interest accrued on all other borrowings for the period,
- interest on lease liability and initial recognition of lease liability for Right-of-use asset

Summary of material accounting policies

The accompanying notes are an integral part of these consolidated financial statements
As per our report of even dated attached.

For **B S R and Co**

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No: 128510W

Amit Kumar Bajaj

Partner

Membership No: 218685

Dr. S. Anand Reddy

Managing Director

DIN: 00123870

Place: New Delhi

Date: May 13, 2026

S. Sreekanth Reddy

Joint Managing Director

DIN: 00123889

Place: Chicago, USA

Date: May 13, 2026

J. Raja Reddy

Company Secretary

M. No. A31113

Place: Hyderabad

Date: May 13, 2026

Place: Hyderabad

Date: May 13, 2026

K. Prasad

Chief Financial Officer

Place: Hyderabad

Date: May 13, 2026

1. CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICES

(A) CORPORATE INFORMATION

Sagar Cements Limited (“the Company/Parent Company”) is a public Company domiciled in India and incorporated in India having its registered office at Hyderabad, Telangana. The Holding Company and its subsidiaries are engaged in the business of manufacture and sale of cement and generation of power for sale and captive consumption. The Consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries, namely Sagar Cements (M) Private Limited and Andhra Cements Limited (collectively referred to as “the Group”). The Parent Company and Subsidiary Company (Andhra Cements Limited) shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) of India Limited.

(B) BASIS OF PREPARATION

(i) Statement of Compliance

The Consolidated Balance Sheet of the Group as at 31 March 2026, the related Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows for the year ended 31 March 2026 and the material accounting policies (together referred to as ‘Consolidated Financial Statements’) are prepared in accordance with the Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 and presentation requirements of Division II of Schedule III notified under Section 133 of Companies Act, 2013 (“the Act”) and amendments thereto, other relevant provisions of the Act. These Ind AS Consolidated financial

statements were authorised for issue by the Board of Directors of the Company at their meeting held on May 13, 2026.

(ii) Functional and Presentation currency

These Consolidated financial statements are presented in Indian Rupees (INR), which is also the Group’s functional currency. All amounts have been rounded off to the nearest lakhs (INR 00,000), except when otherwise indicated.

(iii) Basis of measurement

These Consolidated financial statements have been prepared under the historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Employee’s Defined Benefit Plan as per actuarial valuation and
- Assets and liabilities, including goodwill acquired under Business Combination/ acquisition measured at fair value;
- Lease liability is measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Right-to-use asset (‘ROU’) has been measured as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of

whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

(iv) Use of estimates and judgements

In preparing these Consolidated financial statements, management has made judgements and estimates that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, Income and expenses. Actual results may differ from them estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

• Judgement

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated financial statements is included in the following notes.

- Note 28 – Recognition and measurement of deferred tax assets.
- Note 35 – Lease term and classification.
- Note 29 - Provisions, litigation and contingencies
- Note 32 - Fair value measurement of financial instruments
- Note 15 - Classification of Trade deposits

All amounts are in ₹ Lakhs unless otherwise stated

• **Assumptions and estimation uncertainties:**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 2, 3, 4A – Useful lives of property, plant and equipment and intangible assets
- Note 28 – Recognition and measurement of deferred tax assets.
- Note 32 - Measurement of defined benefit obligations.
- Note 29 - Provisions, litigation and contingencies.
- Note 32 - Fair value measurement of financial instruments
- Note 5,9 – Impairment of financial assets.
- Note 2, 3, 4A, 4B - Impairment of non-financial assets.
- Note 16 – Land restoration obligation.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Recognition and measurement of deferred tax assets and liabilities

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilized. Judgement is involved in assessing the recoverability of deferred tax assets recognised in respect of carried forward tax losses, unabsorbed depreciation and other

deductible temporary differences. It involves estimation in respect of future taxable income, projected profitability and timing of reversal of temporary differences.

Useful lives of property, plant and equipment and intangible assets

The Group uses technical expertise along with historical and industry trends for determining the economic life of an certain asset/component of an asset. The useful lives are reviewed by management yearly and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Measurement of defined benefit obligations

The cost of defined benefit gratuity plan and its present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, an employee benefit obligation is highly sensitive to changes in these assumptions particularly the discount rate and estimate of future salary increase. All assumptions are reviewed at each reporting date.

Impairment of financial assets

Impairment allowance for trade receivables and other financial assets is determined based on assumptions regarding expected default rates, historical loss experience and forward-looking information. If the financial condition of a customer deteriorates, additional allowances may be required.

Impairment of non-financial assets

Impairment of non-financial assets is assessed by comparing the carrying amount of an asset or cash

generating unit with its recoverable amount, which is the higher of fair value less costs of disposal and value in use. Fair value less costs of disposal is estimated using market based evidence for similar assets and expected disposal costs. Value in use is determined using a Discounted Cash Flow (DCF) model, which requires key estimates and assumptions, including future cash flows, operating margins, production volumes, capacity utilisation, terminal growth rates, and discount rates. The Company reviews its non-financial assets at each reporting date to identify any indicators of impairment.

Land restoration obligation:

In determining the fair value of the land restoration obligation, assumptions and estimates are made in relation to discount rates, the expected cost of land restoration and the expected timing of those costs.

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions, Litigation and contingencies:

The Group exercises judgement in assessing whether a present obligation exists arising from past events and whether the probability of outflow of economic resources requires recognition of a provision or disclosure as a contingent liability.

All amounts are in ₹ Lakhs unless otherwise stated

The measurement of provisions involves estimates relating to the expected timing and amount of outflows of economic resources required to settle the obligations. Such estimates are based on management's assessment of the most likely outcome, past experience, legal advice and developments in the respective matters. Changes in facts and circumstances may result in revision to the estimates and carrying value of provisions recognised.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Lease term and classification:

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. It involves judgement in assessing whether the interest rate implicit in the lease is readily determinable and, where it is not available, in determining the appropriate basis for estimation of the incremental borrowing rate.

Classification of Trade deposits

The Group receives security deposits from dealers under dealership agreements, which are primarily intended to support long-term business relationships and are therefore held for long-term purposes.

The agreements may be cancelled at the discretion of the Group or, in limited force majeure circumstances, at the dealer's request. However, even in cases of early termination of the contract, such deposits are generally not refundable or are refundable only at the discretion of the Group. Accordingly, dealers do not have an unconditional right to immediate refund. The Management has exercised judgement in classifying these deposits as non-current liabilities, as settlement is not expected within twelve months from the reporting date, based on contractual terms, the nature of dealership arrangements, and historical experience. Deposits expected to be settled within twelve months are classified as current liabilities. Upon cancellation, the deposits are adjustable against outstanding balances and are refundable only after completion of all requisite adjustments and internal processes.

(C) CLASSIFICATION OF ASSETS AND LIABILITIES INTO CURRENT/ NON-CURRENT

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

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- It does not have the right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(D) MATERIAL ACCOUNTING POLICIES

Basis of consolidation

- Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the Consolidated financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are

All amounts are in ₹ Lakhs unless otherwise stated

eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

- (ii) Subsidiaries considered in the Consolidated financial statements (Ownership interest %)

Name of the Group	Country	As at March 31, 2026	As at March 31, 2025
Andhra Cements Limited	India	75%	90%
Sagar Cements (M) Private Limited	India	65%	65%

Principles of consolidation:

These Consolidated financial Statements have been prepared by consolidation of the financial statements of the Group and its subsidiaries on a line-by-line basis after fully eliminating the inter-Group transactions.

The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its separate financial statements. The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March 2026.

Non-controlling interests (“NCI”)

NCI are initially measured at their proportionate share of the acquiree’s net identifiable assets at the date of acquisition.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment (including capital work in progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing

the item to working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Freehold Land and buildings are measured at historical cost less accumulated depreciation on buildings and impairment losses, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the subsequent expenditure can be measured reliably.

The Group had opted for deemed cost exemption under Ind AS 101 on transition of Ind AS.

Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital advances under “Other non-current assets”.

All amounts are in ₹ Lakhs unless otherwise stated

Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

Depreciation on plant and machinery, railway siding is charged under straight line method and on other assets depreciation is charged under diminishing balance method, based on the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of asset	Useful lives
Plant and machinery	
– Power plant	10 - 40 years
– Other than power plant	3 - 30 years
Electrical installations	3 - 40 years
Railway siding	25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Group follows the process of componentization for property, plant and equipment. Accordingly, the Group has identified a part of an asset as a separate component in whole asset value (beyond certain value) and useful life of the part is different from the useful life of the remaining asset. The useful life has been assessed based on technical advice, taking into account the nature of the asset / component of an asset, the estimated usage

of the asset / component of an asset on the basis of management's best estimation of getting economic benefits from that class of assets / components of an asset. The Group uses its technical expertise along with historical and industry trends for arriving the economic life of an asset/ component of an asset.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost of an item of intangible assets comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and the cost of the asset can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually,

either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

A summary of the policies applied to the Group's intangible assets is, as follows:

Class of Intangible Asset	Useful Lives estimated by the management	Amortisation method used
Specialized Software	3 years	Amortised on a straight-line basis over the period of agreement
Mining Rights	10 to 50 years	Amortised on a straight-line basis over the period of licence / agreement (reflective of usages pattern)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the assets is derecognised.

There are no Internally generated intangible assets by the Group.

The Group had opted for deemed cost exemption under Ind AS 101 on transition of Ind AS.

Leases

The Group 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease

All amounts are in ₹ Lakhs unless otherwise stated

liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

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

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

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

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

Lease liabilities are subsequently measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU and lease liabilities for short-term leases that have a lease term of 12 months or lower and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups

of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Consolidated Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated Statement of Profit and Loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

All amounts are in ₹ Lakhs unless otherwise stated

Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is deducted while calculating carrying amount of the asset. The grant is recognised in the Consolidated Statement of Profit and Loss over the life of the depreciable asset as a reduced depreciation expense.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Consolidated Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Work-in-progress and finished goods include appropriate proportion of overheads. The methods of determining cost of various categories of inventories are as follows:

Type of Inventory	Method
Raw materials and coal	Weighted average method
Stores and spares and packing materials	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average method and including an appropriate share of applicable overheads.

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of goods:

Revenue from sale of goods is recognised on the basis of approved contracts regarding the transfer of control of promised goods to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which is generally on dispatch/ delivery of the goods.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration and outgoing taxes on sale. The variable consideration includes incentives, volume rebates, discounts etc. It is estimated at contract

inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are considered.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Revenue from services contracts: It is recognised upon transfer of control of promised services to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those services. Revenue is recognised at point in time based on agreements / arrangements with the customers when the services are performed and there are no unfulfilled obligations.

Revenue from sale of power: It is recognised upon on transfer of control of electricity to the customer, typically upon transmission of power to the grid in accordance with the terms of the power purchase agreement. Power generated for captive consumption is not recognized as revenue. Revenue from sale of surplus power is measured at the tariff rates agreed under applicable arrangements.

Other operating revenue: It would include revenue arising from Group's operating activity i.e either its principal or ancillary revenue generating activities but which is



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not revenue activity from sale of goods or rendering of services.

Retirement and other employee benefits

Short-term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. Retirement benefit in the form of Provident Fund, Employees State Insurance Corporation (ESIC) and Superannuation Schemes are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans:

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation done on projected unit credit method at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to remeasurements of the net defined benefits reserve under reserves and surplus, through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Consolidated Statement Profit and Loss in subsequent periods.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined plan when the settlement occurs.

Other long-term employee benefits:

The Group treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group presents the leave as current liability in the balance sheet, to the extent it does not have an right at the end of the reporting period to defer the settlement for at

least twelve months after the reporting period. Where the Group has legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability. Actuarial gains/losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred.

Taxes

Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, of and Contingent Assets.

Current Taxes: Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

All amounts are in ₹ Lakhs unless otherwise stated

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax

benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Segment reporting:

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

Earnings per share

Basic -share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for

events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Provisions

A provision is recognised when the Group has a present obligation as a result of past event, 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Land Restoration

An obligation for restoration, arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Consolidated Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The costs

All amounts are in ₹ Lakhs unless otherwise stated

are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Consolidated Statement of Profit and Loss.

Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Consolidated financial statements. It is reviewed at each balance sheet date.

Contingent assets are not recognised in Consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in Consolidated financial statements, where an inflow of economic benefits is probable. It is reviewed at each balance sheet date.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of

three months or less, which are subject to an insignificant risk of changes in value and are also used for the purpose of Statement of Cash Flows, as these are considered an integral part of the Group's cash management.

Financial instruments

Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognised when they are originated. Trade receivables that do not contain a significant financing component are measured at transaction price (net of variable consideration). All other financial assets and liabilities are recognised are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A Financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Financial assets - classification and subsequent measurement:

Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these 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.

Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held

within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Financial liabilities - classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on liabilities held for trading are recognised in the Consolidated statement of profit and loss.

Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss.

All amounts are in ₹ Lakhs unless otherwise stated

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial instruments

Financial asset:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liability:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or the same expires.

The Group also derecognise a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Consolidated statement of profit and loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Group has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Fair value of financial instruments:

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

When the fair values of financial assets and financial liabilities recorded in the Consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment

Financial assets (other than at Fair value through profit and loss)

The Group assesses at each date of the balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In addition to the provision matrix, the Group also performs individual assessment of credit risk for specific customers where there is objective evidence of increased credit risk. Where such individual assessment indicates that a trade receivable meets the criteria for being classified as credit impaired under Ind AS 109, the Group recognises a loss allowance based on lifetime ECL and discloses such credit impaired trade receivables separately in the consolidated balance sheet.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- a. significant financial difficulty of the debtor
- b. a breach of contract, such as a default or 3 years past due
- c. it is probable that the debtor will enter bankruptcy or other financial reorganization
- d. the disappearance of an active market for a security because of financial difficulties

The Group considers a financial asset to be in default when:

- a. the customer is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- b. the financial asset is more than 90 days past due

The ECL loss allowance (or reversal) during the year is recognised in the consolidated statement of profit and loss.

The Group write-off's the receivables only on completion of the legal proceedings or if it is certain that the balance will not be recoverable.

Goodwill

Goodwill is measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit and loss. Any impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Exceptional items

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

Statement of Cash Flows

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recognised using effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

All amounts are in ₹ Lakhs unless otherwise stated

Recent pronouncements

The 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.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has reviewed the amendments and made appropriate disclosures in

its financial statements including classification of current and non-current liabilities.

- b. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier- finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and made appropriate disclosures in its financial statements.
- c. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately – The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

The following are the notified amendments to the standards but not yet effective:

- a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2026 - when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Group does not expect this amendment to have any significant impact in its financial statements.

All amounts are in ₹ Lakhs unless otherwise stated

2. PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2026	As at March 31, 2025
Freehold land	44,683	44,597
Land - restoration	697	462
Buildings	44,634	49,294
Plant and machinery	1,92,737	1,79,303
Furniture and fittings	248	1,130
Office and other equipment	3,901	3,352
Electrical installations and equipment	13,762	12,269
Computers	85	112
Vehicles	651	668
Railway sidings	4,100	4,533
Total	3,05,498	2,95,720

FOR THE YEAR 2025-26

Description of Assets	Freehold land	Land-restoration	Buildings	Plant and machinery	Furniture and fittings	Office and other equipment	Electrical installations and equipment	Computers	Vehicles	Railway sidings	Total
Cost											
Opening balance	44,597	664	82,493	2,90,360	2,126	9,467	32,001	796	2,219	6,893	4,71,616
Add: Additions	100	293	613	27,633	51	1,411	3,799	31	254	-	34,185
Less: Disposals	14	-	11	8	867	5	49	42	61	183	1,240
Balance as at March 31, 2026	44,683	957	83,095	3,17,985	1,310	10,873	35,751	785	2,412	6,710	5,04,561
Accumulated depreciation											
Opening Balance	-	202	33,199	1,11,057	996	6,115	19,732	684	1,551	2,360	1,75,896
Add: Depreciation	-	58	5,269	14,191	66	861	2,262	44	264	250	23,265
Less: Disposals	-	-	7	-	-	4	5	28	54	-	98
Balance as at March 31, 2026	-	260	38,461	1,25,248	1,062	6,972	21,989	700	1,761	2,610	1,99,063
Carrying value as at March 31, 2026	44,683	697	44,634	1,92,737	248	3,901	13,762	85	651	4,100	3,05,498
Carrying value as at March 31, 2025	44,597	462	49,294	1,79,303	1,130	3,352	12,269	112	668	4,533	2,95,720

All amounts are in ₹ Lakhs unless otherwise stated

FOR THE YEAR 2024-25

Description of Assets	Freehold land	Land-restoration	Buildings	Plant and machinery	Furniture and fittings	Office and other equipment	Electrical installations and equipment	Computers	Vehicles	Railway sidings	Total
Cost											
Opening balance	44,517	597	82,883	2,89,452	1,184	9,266	32,128	769	2,448	6,867	4,70,111
Add: Additions	81	67	1,223	3,458	950	373	799	47	99	26	7,123
Less: Disposals	1	-	1,613	2,550	8	172	926	20	328	-	5,618
Balance as at March 31, 2025	44,597	664	82,493	2,90,360	2,126	9,467	32,001	796	2,219	6,893	4,71,616
Accumulated depreciation											
Opening Balance	-	144	28,829	1,01,100	936	5,374	18,223	623	1,330	2,294	1,58,853
Add: Depreciation	-	58	5,954	12,396	68	901	2,425	81	358	249	22,490
Less: Disposals	-	-	1,584	2,439	8	160	916	20	137	183	5,447
Balance as at March 31, 2025	-	202	33,199	1,11,057	996	6,115	19,732	684	1,551	2,360	1,75,896
Carrying value as at March 31, 2025	44,597	462	49,294	1,79,303	1,130	3,352	12,269	112	668	4,533	2,95,720
Carrying value as at March 31, 2024	44,517	453	54,054	1,88,352	248	3,892	13,905	146	1,118	4,573	3,11,258

Notes:

- 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.
- For charge created on Property, plant and equipment of the Company towards borrowings, refer note 14A and 14B.
- For disclosure on capital commitments, refer note 29.

All amounts are in ₹ Lakhs unless otherwise stated

3. RIGHT OF USE ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Buildings	173	266
Leasehold land	1,098	971
Plant and machinery	4,135	1,557
Total	5,406	2,794

FOR THE YEAR 2025-26

Particulars	Buildings	Leasehold land	Plant and machinery	Total
Gross Block				
Opening Balance	446	1,067	1,573	3,086
Add: Additions	66	141	2,723	2,930
Less: Deletion	25	-	-	25
Balance as at March 31, 2026	487	1,208	4,296	5,991
Accumulated depreciation				
Opening Balance	180	96	16	292
Add: Depreciation	159	14	145	318
Less: Deletion	25	-	-	25
Balance as at March 31, 2026	314	110	161	585
Net block (I-II)				
Carrying value as at March 31, 2026	173	1,098	4,135	5,406
Carrying value as at March 31, 2025	266	971	1,557	2,794

FOR THE YEAR 2024-25

Particulars	Buildings	Leasehold land	Plant and machinery	Total
Gross Block				
Opening Balance	124	1,067	-	1,191
Add: Additions	374	-	1,573	1,947
Less: Deletion	52	-	-	52
Balance as at March 31, 2025	446	1,067	1,573	3,086
II. Accumulated depreciation				
Opening Balance	68	81	-	149
Add: Depreciation	164	15	16	195
Less: Deletion	52	-	-	52
Balance as at March 31, 2025	180	96	16	292
Net block (I-II)				
Carrying value as at March 31, 2025	266	971	1,557	2,794
Carrying value as at March 31, 2024	56	986	-	1,042

All amounts are in ₹ Lakhs unless otherwise stated

4A. INTANGIBLE ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Mining rights	7,761	8,132
Other Intangible assets		
- Computer software	33	44
Total	7,794	8,176

FOR THE YEAR 2025-26

Particulars	Mining rights	Computer software	Total
Cost			
Opening Balance	10,226	367	10,593
Add: Additions	-	-	-
Balance as at March 31, 2026	10,226	367	10,593
Accumulated amortisation			
Opening Balance	2,094	323	2,417
Add: Amortisation	371	11	382
Balance as at March 31, 2026	2,465	334	2,799
Carrying value as at March 31, 2026	7,761	33	7,794
Carrying value as at March 31, 2025	8,132	44	8,176

FOR THE YEAR 2024-25

Particulars	Mining rights	Computer software	Total
Cost			
Opening Balance	10,226	367	10,593
Add: Additions	-	-	-
Balance as at March 31, 2025	10,226	367	10,593
Accumulated amortisation			
Opening Balance	1,723	304	2,027
Add: Amortisation	371	19	390
Balance as at March 31, 2025	2,094	323	2,417
Carrying value as at March 31, 2025	8,132	44	8,176
Carrying value as at March 31, 2024	8,503	63	8,566

4B. GOODWILL:

Particulars	As at April 01, 2025	Acquisition on account of Business Combination	Additions	Disposals	As at March 31, 2026
Goodwill	4,162	-	-	-	4,162

Particulars	As at April 01, 2024	Acquisition on account of Business Combination	Additions	Disposals	As at March 31, 2025
Goodwill	4,162	-	-	-	4,162

Goodwill recognised on business combinations is allocated to Cash Generating Units (CGUs) which are expected to benefit from the synergies of the acquisitions.

For the purpose of impairment testing carrying amount of Goodwill has been allocated to the following Cash generating unit (CGU):

Particulars	As at March 31, 2026	As at March 31, 2025
Gudipadu Unit of Sagar Cements Limited	3,873	3,873
Jajpur Unit of Sagar Cements Limited	65	65
Sagar Cements (M) Private Limited, Subsidiary Company	224	224
Total	4,162	4,162

Goodwill arising out of business combinations has been allocated to the acquired businesses as Cash Generating Unit (CGU). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

All amounts are in ₹ Lakhs unless otherwise stated

The recoverable amount of the Goodwill has been determined as per value in use method using discounted cash flows. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been assigned based on historical data both from external and internal sources. The key assumptions used in the estimation of the recoverable amount as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate (pre tax)	17.36%	18.66%
Terminal value growth rate	4.00%	4.00%
Compounded annual revenue growth rate	8.15%	7.69%

As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and the discount rate is a pre tax measure estimated for 5 years based on the historical industry weighted average cost of capital of ~ 17.36% (March 31, 2025: ~ 18.66%). The post tax discount rate is ~ 12.99% (March 31, 2025: ~ 12.14%). While determining the cashflows, Group has considered the factors such as cement sales volume growth, price per bag, input cost expectation etc. The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the respective cash-generating unit.

As per the current business operation, Group expects stable state on the factors and same is supported by the cement industry outlook. Based on the Group impairment testing, the recoverable amount of the CGU's exceeds its carrying amount including goodwill. Therefore, no impairment loss was recognized during the year ended March 31, 2026. Sensitivity analysis with 1% change in growth rate and weighted average cost of capital also indicates that no impairment required on carrying amount of goodwill.

5. LOANS (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Non-current		
Loans to employees	98	77
Total	98	77
Current		
Loans to employees	68	79
Total	68	79
Total loans	166	156

Notes:

- Information about the Company's exposure to credit risk, market risk and fair value measurement is included in Note 31.
- No loans are due from directors or other officers of the Company either severally or jointly with any other person nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.

All amounts are in ₹ Lakhs unless otherwise stated

6. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	4,529	4,459
Bank deposits due to mature after twelve months of the reporting date (Including interest accrued thereon)	691	570
Total	5,220	5,029
Current		
Security deposits	304	737
Bank deposits with remaining maturity of less than twelve months of the reporting date (Including interest accrued thereon)	8,185	-
Derivative assets	132	-
Incentives receivable from government		
Unsecured, considered good	3,893	587
Considered doubtful	3,409	3,409
Less: Provision for incentives receivable from government	(3,409)	(3,409)
Total	12,514	1,324
Total other financial assets	17,734	6,353

Notes:

- (a) Deposits for ₹ 8,876 (March 31, 2025: ₹ 570) are pledged with Government Departments/ Banks as security and other deposits earmarked for issue of letter of credit / Margin monies.
- (b) Information about the Company's exposure to credit risk, market risk and fair value measurement is included in Note 31.

7. OTHER ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances (Refer note (b) below)		
Unsecured considered good	8,082	879
Considered doubtful	141	446
Less: Loss allowance	(141)	(446)
	8,082	879
Advances to suppliers and service providers		
Unsecured considered good	-	-
Considered doubtful	71	71
Less: Loss allowance	(71)	(71)
	-	-
Prepaid expenses	2,152	1,665
Deposits against demand under dispute		
Unsecured, considered good	441	197
Considered doubtful	179	179
Less: Loss allowance	(179)	(179)
	441	197
Total	10,675	2,741
Current		
Advances to suppliers and service providers (Refer note (b) below)		
Unsecured considered good	4,738	1,525
Considered doubtful	61	111
Less: Loss allowance	(61)	(111)
	4,738	1,525
Prepaid expenses	1,149	1,831
Balances with government authorities	1,085	313
Excise duty refund receivable	194	194
Advances to employees	24	86
Total	7,190	3,949
Total other assets	17,865	6,690

Notes:

- (a) There are no other receivables due from directors or other officer of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private limited companies respectively in which any director is a partner or a director or a member.
- (b) Refer Note 34 for related party transactions.

All amounts are in ₹ Lakhs unless otherwise stated

8. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	1,910	1,838
Fuels	10,631	6,545
Work-in-progress	7,384	8,998
Stores and spares	6,490	6,404
Packing materials	600	664
Finished goods	2,122	2,555
Total (A)	29,137	27,004
Goods-in-transit:		
Raw materials	83	41
Fuels	1,922	165
Packing materials	95	46
Stores and spares	34	104
Total (B)	2,134	356
Total inventories (A+B)	31,271	27,360

Notes:

- Inventories are pledged against the borrowings of the Company as referred in note 14A and 14B.
- Inventories of stores and spares have been reduced by ₹ 210 (March 31, 2025 : ₹ 292) as a result of provision on account of slow and non-moving inventory.

9. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - Secured	3,442	3,752
Trade receivables considered good - Unsecured	20,684	17,801
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	131	131
Sub-total	24,257	21,684
Less: Loss allowance	(1,663)	(1,267)
Total trade receivables	22,594	20,417

Notes:

Trade receivables are pledged against the borrowings of the Group as referred in Note 14.

Information about the Group's exposure to credit risk, market risk and fair value measurement is included in Note 31.

No trade receivables, other than those disclosed in note 34, are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

The above secured trade receivables include receivables considered good in respect of which the Group holds guarantees from banks amounting to ₹ 2,328 (March 31, 2025: ₹ 2,824).

All amounts are in ₹ Lakhs unless otherwise stated

The expected credit loss allowance (ECL) is based on the ageing of the days the receivables are due and the rates as per the provision matrix. The ageing of the receivables is as follows:

FY 2025-26:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	13,554	8,096	661	258	1	24	22,594
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	94	138	114	206	203	777	1,532
(ii) Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	131	131
Total	13,648	8,234	775	464	204	932	24,257

FY 2024-25:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	13,015	6,373	690	205	48	86	20,417
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	56	70	101	21	273	615	1,136
(ii) Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	131	131
Total	13,071	6,443	791	226	321	832	21,684

There were no unbilled trade receivables as at March 31, 2026 and as at March 31, 2025, hence the same is not disclosed in the ageing breakup.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognised a loss allowance of 100 per cent against all receivables over three years past due because historical experience has indicated that these receivables are generally not recoverable.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

All amounts are in ₹ Lakhs unless otherwise stated

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table details the risk profile of trade receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer segments.

FY 2025-26:

Particulars	Not due	Trade Receivables – days past due					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Expected credit loss rate	1%	2%	15%	44%	100%	97%	7%
Estimated total gross carrying amount at default	13,648	8,234	775	464	204	932	24,257
Lifetime ECL	94	138	114	206	203	908	1,663

FY 2024-25:

Particulars	Not due	Trade Receivables – days past due					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Expected credit loss rate	0%	1%	13%	9%	85%	90%	6%
Estimated total gross carrying amount at default	13,071	6,443	791	226	321	832	21,684
Lifetime ECL	56	70	101	21	273	746	1,267

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in Ind AS 109.

Movement in expected credit loss allowance

Particulars	Collectively assessed	Individually assessed	Total
Balance as at March 31, 2024	1,266	131	1,397
Loss allowance provided during the year	-	-	-
Reversal of loss allowance	130	-	130
Balance as at March 31, 2025	1,136	131	1,267
Loss allowance provided during the year	396	-	396
Reversal of loss allowance	-	-	-
Balance as at March 31, 2026	1,532	131	1,663

10. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	4	3
Balances with banks in current accounts	348	497
Deposits with banks with original maturity of less than three months	-	6,549
Total Cash and cash equivalents	352	7,049

11. OTHER BANK BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
Unpaid dividend account (Earmarked for payment of unpaid dividend)	27	30
Deposit with original maturity of more than three months and less than twelve months (Refer note below)	1,490	9,346
Total Other bank balances	1,517	9,376

Note: Margin money deposits with banks to the extent these are against bank guarantees and cash credit facilities.

12. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 2 each (March 31, 2025: Equity Shares of ₹ 2 each) (Refer note (f) below)	1,24,75,00,000	24,950	1,24,75,00,000	24,950
Preference share capital				
Authorised:				
Preference shares of ₹ 10 each (March 31, 2025: Preference Shares of ₹ 10 each)	4,30,00,000	4,300	4,30,00,000	4,300
Issued, subscribed and fully paid:				
Equity shares of ₹ 2 each (March 31, 2025: Equity Shares of ₹ 2 each)	13,07,07,548	2,614	13,07,07,548	2,614

Notes:

(A) RECONCILIATION OF EQUITY SHARES AND AMOUNT OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Opening balance	13,07,07,548	2,614	13,07,07,548	2,614
Changes in share capital during the year	-	-	-	-
Closing balance	13,07,07,548	2,614	13,07,07,548	2,614

(B) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE EQUITY SHARES:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend if issued. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to the share of paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

All amounts are in ₹ Lakhs unless otherwise stated

(C) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 2 each fully paid				
AVH Resources India Private Limited	2,56,68,790	19.64%	2,56,68,790	19.64%
PI Opportunities Fund I Scheme II	1,32,07,548	10.10%	1,32,07,548	10.10%
R V Consulting Services Private Limited	1,20,78,125	9.24%	1,20,78,125	9.24%
Aruna Sammidi	76,19,850	5.83%	76,19,850	5.83%
Rachana Sammidi	66,08,540	5.06%	66,08,540	5.06%
Anand Reddy Sammidi	73,04,745	5.59%	73,04,745	5.59%
Sreekanth Reddy Sammidi	69,92,681	5.35%	69,92,681	5.35%

(D) DETAILS OF SHARES HELD BY THE PROMOTERS IN THE COMPANY AND CHANGE DURING THE YEAR:

As at March 31, 2026

Promoter Name	As at March 31, 2026		As at March 31, 2025		
	No. of shares of ₹ 2 each	% of total shares	No. of shares of ₹ 2 each	% of total shares	% Change during the year
Equity shares of ₹ 2 each fully paid					
R V Consulting Services Private Limited	1,20,78,125	9.24%	1,20,78,125	9.24%	-
Aruna Sammidi	76,19,850	5.83%	76,19,850	5.83%	-
Anand Reddy Sammidi	73,04,745	5.59%	73,04,745	5.59%	-
Sreekanth Reddy Sammidi	69,92,681	5.35%	69,92,681	5.35%	-
Rachana Sammidi	66,08,540	5.06%	66,08,540	5.06%	-
Vanajatha Sammidi	49,53,845	3.79%	49,53,845	3.79%	-
Sagar Priya Housing And Industrial Enterprises Limited	43,00,000	3.29%	43,00,000	3.29%	-
Siddarth Sammidi	41,09,490	3.14%	41,09,490	3.14%	-
Aneesh Reddy Sammidi	41,09,485	3.14%	41,09,485	3.14%	-
Malathi Reddy Wdaru	18,88,500	1.44%	18,88,500	1.44%	-
Madhavi Nadikattu	14,69,000	1.12%	14,69,000	1.12%	-
Telangana State Industrial Development Corporation Limited	15,66,425	1.20%	15,66,425	1.20%	-
Panchavati Polyfibres Limited	1,57,500	0.12%	1,57,500	0.12%	-
P V Narsimha Reddy	10,000	0.01%	10,000	0.01%	-

All amounts are in ₹ Lakhs unless otherwise stated

As at March 31, 2025

Promoter Name	As at March 31, 2025		As at March 31, 2024		
	No. of shares of ₹ 2 each	% of total shares	No. of shares of ₹ 2 each	% of total shares	% Change during the year
Equity shares of ₹ 2 each fully paid					
R V Consulting Services Private Limited	1,20,78,125	9.24%	1,20,78,125	9.24%	-
Aruna Sammidi	76,19,850	5.83%	76,19,850	5.83%	-
Anand Reddy Sammidi	73,04,745	5.59%	73,04,745	5.59%	-
Sreekanth Reddy Sammidi	69,92,681	5.35%	69,69,140	5.33%	0.02%
Rachana Sammidi	66,08,540	5.06%	66,08,540	5.06%	-
Vanajatha Sammidi	49,53,845	3.79%	49,53,845	3.79%	-
Sagar Priya Housing And Industrial Enterprises Limited	43,00,000	3.29%	43,00,000	3.29%	-
Siddarth Sammidi	41,09,490	3.14%	41,09,490	3.14%	-
Aneesh Reddy Sammidi	41,09,485	3.14%	41,09,485	3.14%	-
Malathi Reddy Wdaru	18,88,500	1.44%	18,88,500	1.44%	-
Madhavi Nadikattu	14,69,000	1.12%	14,69,000	1.12%	-
Telangana State Industrial Development Corporation Limited	15,66,425	1.20%	15,66,425	1.20%	-
Panchavati Polyfibres Limited	1,57,500	0.12%	1,57,500	0.12%	-
P V Narsimha Reddy	10,000	0.01%	10,000	0.01%	-

- (e) There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date.
- (f) There are no employee stock options/ share purchase plan as on March 31, 2026 and March 31, 2025.

13A OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve	35,563	37,551
Securities premium	88,351	88,351
General reserve	3,598	3,598
Retained earnings	39,277	40,271
Remeasurements of the net defined benefits plan	(111)	(104)
Total other equity	1,66,678	1,69,667

MOVEMENT IN OTHER EQUITY IS AS FOLLOWS:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital Reserve		
(i) Opening Balance	37,551	37,551
(ii) Changes in ownership interest in subsidiary without loss of control	(1,988)	-
	35,563	37,551
(b) Securities premium	88,351	88,351
(c) General Reserve	3,598	3,598
(d) Retained earnings		
(i) Opening balance	40,271	62,165
(ii) Loss for the year	(1,107)	(20,979)
(iii) Changes in ownership interest in subsidiary without loss of control	113	-
	39,277	41,186
Less: Appropriations		
(i) Dividend on equity shares (Refer note 41)	-	915
	39,277	40,271
(e) Remeasurements of the net defined benefits plan		
(i) Opening Balance	(104)	(157)
(ii) Other comprehensive income	(7)	53
	(111)	(104)
Total	1,66,678	1,69,667

NATURE OF RESERVES

(a) Capital Reserve

This represents subsidies received from the government and on account of business combination as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(b) Securities premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The utilisation of securities premium is governed by the Section 52 of the Companies Act, 2013.

(c) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(d) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends paid to shareholders. Retained earnings is a free reserve available to the Group.

(e) Remeasurements of the net defined benefits plan

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

All amounts are in ₹ Lakhs unless otherwise stated

13B NON-CONTROLLING INTERESTS ('NCI')

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	7,152	7,847
Total comprehensive income/ (loss) for the year attributable to NCI	1,034	(695)
Changes in ownership interest in subsidiary without loss of control (Refer note 46)	8,614	-
Balance at end of the year	16,800	7,152

NON-CONTROLLING INTEREST IN SUBSIDIARIES:

March 31, 2026	Andhra Cements Limited	Sagar Cements (M) Private Limited
Accumulated balance at beginning of the year	3,468	3,684
(Loss)/ profit for the year attributable to NCI	(792)	1,826
Other comprehensive income attributable to NCI	1	(1)
Changes in ownership interest in subsidiary without loss of control (Refer note 46)	8,614	-
Accumulated balances of non-controlling interest	11,291	5,509

March 31, 2025	Andhra Cements Limited	Sagar Cements (M) Private Limited
Accumulated balance at beginning of the year	4,991	2,856
(Loss)/ profit for the year attributable to NCI	(1,521)	832
Other comprehensive income attributable to NCI	(2)	(4)
Accumulated balances of non-controlling interest	3,468	3,684

DETAILS OF SUBSIDIARIES WITH THE NON-CONTROLLING INTERESTS:

Name of the subsidiary	Place of incorporation and principal place of business	Non-controlling interests	
		As at March 31, 2026	As at March 31, 2025
Sagar Cements (M) Private Limited	India	35%	35%
Andhra Cements Limited	India	25%	10%

THE FOLLOWING TABLE SUMMARISES THE INFORMATION RELATING TO EACH OF THE GROUP'S SUBSIDIARIES THAT HAS MATERIAL NCI, BEFORE ANY INTRAGROUP ELIMINATIONS:

March 31, 2026	Andhra Cements Limited	Sagar Cements (M) Private Limited
Non-current assets	1,23,073	55,470
Current assets	18,933	11,255
Non-current liabilities	1,05,478	30,765
Current liabilities	28,454	19,679
Revenue	44,249	55,457
(Loss)/ profit for the year	(6,716)	5,216
Total comprehensive (loss)/ income	(6,708)	5,213
Cash flows (used in)/from operating activities	(2,515)	13,669
Cash flows used in investment activities	(24,833)	(10,232)
Cash flows from/ (used in) financing activities	27,350	(3,806)

March 31, 2025	Andhra Cements Limited	Sagar Cements (M) Private Limited
Non-current assets	1,01,783	50,394
Current assets	12,658	7,481
Non-current liabilities	70,905	31,106
Current liabilities	29,081	15,766
Revenue	27,405	45,378
(Loss)/ profit for the year	(15,211)	2,377
Total comprehensive (loss)/ income	(15,226)	2,367
Cash flows from operating activities	5,955	12,265
Cash flows used in investment activities	(8,059)	(1,165)
Cash flows from/ (used in) financing activities	1,052	(10,792)

All amounts are in ₹ Lakhs unless otherwise stated

14A NON CURRENT BORROWINGS* (AT AMORTISED COST)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loans from banks (Refer note (i) below)	1,06,047	94,651
Term loans from financial institutions (Refer note (i) below)	4,931	-
Unsecured		
Loan from related parties (Refer note (iii) below)	5,000	2,500
Loan from others (Refer note (iv) below)	7,000	2,000
Total non-current borrowings	1,22,978	99,151

*Current maturities of non-current borrowings are disclosed under the head "Current borrowings".

Note (i):

AS AT MARCH 31, 2026:

Bank	Name of the Company	Loan outstanding	Terms of repayment	Rate of interest
Axis Bank Limited (Refer note 9 below)	Sagar Cements Limited	13,700	20 quarterly instalments	10.10%
CSB Bank Limited (Refer note 10 below)	Sagar Cements Limited	5,199	108 monthly instalments	9.25%
RBL Bank Limited (Refer note 11 below)	Sagar Cements Limited	6,817	15 quarterly instalments	9.45%
Yes Bank Limited (Refer note 12 below)	Sagar Cements (M) Private Limited	10,427	22 quarterly instalments	10.97%
State Bank of India (Refer note 13 below)	Sagar Cements (M) Private Limited	13,530	22 quarterly instalments	10.65%
Axis Finance Limited (Refer note 13 below)	Sagar Cements (M) Private Limited	4,931	27 quarterly instalments	10.25%
State Bank of India (Refer note 14 below)	Andhra Cements Limited	55,851	31 quarterly instalments	9.80%
Union Bank of India (Refer note 14 below)	Andhra Cements Limited	8,414	34 quarterly instalments	9.95%
Yes Bank Limited (Refer note 14 below)	Andhra Cements Limited	6,033	34 quarterly instalments	10.01%
Vehicle loans from various banks/financial institutions (Refer note 15 below)	Sagar Cements Limited	280	38 monthly instalments	7.16% to 9.40%
Less: Current maturities of non-current borrowings		(14,946)		
		1,10,978		

AS AT MARCH 31, 2025:

Bank	Name of the Company	Loan outstanding	Terms of repayment	Rate of interest
HDFC Bank Limited (Refer note 1 below)	Sagar Cements Limited	966	14 monthly instalments	8.59%
Tata Capital Financial Services Limited (Refer note 1 below)	Sagar Cements Limited	1,940	7 quarterly instalments	11.30%
Axis Bank Limited (Refer note 3 below)	Sagar Cements Limited	604	4 quarterly instalments	10.00%
State Bank of India (Refer note 4 below)	Sagar Cements Limited	598	4 quarterly instalments	11.15%
Axis Bank Limited (Refer note 5 below)	Sagar Cements Limited	355	10 monthly instalments	8.75%
HDFC Bank Limited (Refer note 6 below)	Sagar Cements Limited	750	12 monthly instalments	9.00%
The Federal Bank Limited (Refer note 7 below)	Sagar Cements Limited	375	2 quarterly instalments	10.00%
The Federal Bank Limited (Refer note 8 below)	Sagar Cements Limited	276	12 monthly instalments	9.00%
Axis Bank Limited (Refer note 9 below)	Sagar Cements Limited	15,700	24 quarterly instalments	10.85%
Yes Bank Limited (Refer note 12 below)	Sagar Cements (M) Private Limited	12,206	26 quarterly instalments	9.41%
State Bank of India (Refer note 13 below)	Sagar Cements (M) Private Limited	15,894	26 quarterly instalments	11.45%
State Bank of India (Refer note 14 below)	Andhra Cements Limited	57,651	35 quarterly instalments	10.10%
Vehicle loans from various banks/financial institutions (Refer note 15 below)	Sagar Cements Limited	494	23 monthly instalments	7.16% to 9.40%
Less: Current maturities of non-current borrowings		(13,158)		
		94,651		

Notes:

- Term loan is secured by first pari-passu charge on the property, plant and equipment owned by or belonging to the Company both present and future excluding fixed assets pertaining to grinding unit at Bayyavaram, plant and machinery of Waste heat recovery power plant at Mattampally and vehicles purchased under hire purchase agreements, and by second charge on the current assets of the Company and are guaranteed by Dr S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director.



All amounts are in ₹ Lakhs unless otherwise stated

2. Term loan is secured by exclusive charge of all property, plant and equipment of the grinding unit at Bayyavaram both present and future and by second pari-passu charge on the current assets of the Company and are guaranteed by Dr. S. Anand Reddy - Managing Director and S. Sreekanth Reddy - Joint Managing Director.
 3. Term loan is secured by exclusive charge of all property, plant and equipment of the grinding unit at Bayyavaram both present and future and are guaranteed by Dr. S. Anand Reddy - Managing Director and S. Sreekanth Reddy - Joint Managing Director.
 4. Term loan is secured by exclusive charge on the assets of 6.00 MW Waste heat recovery power plant, hypothecation of plant and machinery and are guaranteed by Dr. S. Anand Reddy - Managing Director and S. Sreekanth Reddy - Joint Managing Director.
 5. Term loan is secured by second pari-passu charge against all current assets and property, plant and equipment of the Company, present and future, excluding vehicles purchased under hire purchase agreements and excluding property, plant and equipment pertaining to Mattampally WHR plant and 100% credit guarantee by National Credit Guarantee Trustee Company Ltd.
 6. Term loan is secured by second pari-passu charge on the property, plant & equipment owned by or belonging to the Company both present and future excluding fixed assets pertaining to grinding unit at Bayyavaram, plant and machinery of Waste heat recovery power plant at Mattampally and vehicles purchased under hire purchase agreements, and on the current assets of the Company and are guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director.
 7. Term loan is secured by pari-passu charge on the property, plant and equipment (including mining land) owned by or belonging to the Company, both present and future, and by a second charge on the current assets of the Company and are guaranteed by Dr. S. Anand Reddy - Managing Director and S. Sreekanth Reddy - Joint Managing Director.
 8. This term loan is secured by first pari-passu charge on asset to be created through proceeds of the loan and second pari-passu charge on the property, plant and equipment (including mining land) owned by or belonging to the Company, both present and future, and by a second charge on the current assets of the Company and are guaranteed by National credit guarantee trustee Ltd.
 9. Term loan is secured by first pari-passu charge on the property, plant and equipment owned by or belonging to the Company both present and future, hypothecation of all rights, title and interests of the Company under all plant documents, contracts, insurance policies, permits/ approvals etc related to the plant, to which the Company is party and can be legally assigned and are guaranteed by Dr S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director.
 10. Term loan is secured by exclusive charge on Plant and machinery, equipment and other Fixed assets created out of our term loan. To fund the project cost of ₹ 80.40 crore to be incurred towards execution of Waste Heat Recovery System (WHRS) Power Generation project at Gudipadu Cement unit in Andhra Pradesh.
 11. Term loan is secured by first pari-passu charge against all current assets, present and future, and Second pari-passu charge on property, plant and equipment (movable and immovable) excluding plant and equipment of grinding unit at Bayyavaram and plant and machinery of Waste heat recovery power plant at Mattampally unit of the Company, present and future, and are guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director and negative lien on Jajpur unit.
 12. Term loan is secured by first pari-passu charge on the property, plant and equipment owned by or belonging to the Company both present and future. First pari-passu charge on all rights, title, interests, benefits, claims and demands whatsoever of the Company in the project documents and in the clearances. First pari-passu charge on all the insurance contracts/ insurance proceeds of property, plant and equipment and pledged 15,10,972 equity shares and Non Disposable Undertaking (NDU) for the balance shareholding of Sagar Cements (M) Private Limited held by Sagar Cements Limited in favour of Axis Trustee Services Limited. Second charge on the current assets of the Company and are guaranteed by Dr S. Anand Reddy, Director and S. Sreekanth Reddy, Director and corporate guarantee of Sagar Cements Limited.
 13. Term loan is secured by first pari-passu charge on the property, plant and equipment (including 30 Acres of project lease land excluding mining land) owned by or belonging to the Company both present and future. First pari-passu charge on all rights, title, interests, benefits, claims and demands whatsoever of the Company in the project documents, excluding mining land. First pari-passu charge on all the insurance contracts/ insurance proceeds of property, plant and equipment and pledged 15,10,972 equity shares of Sagar Cements (M) Private Limited held by Sagar Cements Limited in favour of Axis Trustee Services Limited. Second pari-passu charge on the current assets of the Company and are guaranteed by Dr S. Anand Reddy, Director and S. Sreekanth Reddy, Director and corporate guarantee of Sagar Cements Limited.
 14. This term loan is secured by first pari-passu charge on all the immovable fixed assets (present and future) and all the movable fixed assets (present and future) by way of equitable mortgage, and first charge on all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Project documents, and lease holding rights on mining lands and first charge on all the insurance contracts/ insurance proceeds of fixed assets and pledged 2,18,90,883 equity shares of the Andhra Cements Limited in favour of Axis Trustee Services Limited by Sagar Cements Limited and corporate guarantee of Sagar Cements Limited.
 15. Vehicle Loans from various banks/financial institutions are secured by the hypothecation of specific assets purchased from those loans.
- Note (ii):**
The Company had availed unsecured loan of ₹ 5,000 from R V Consulting Services Private Limited for the purpose of the business of the Company. The loans are repayable within a period of 36 months from the date of this agreement i.e., March 29, 2025 and carries interest @ 14.50% p.a. (2024-25: 14.50% p.a.).
- Note (iii):**
The Company had availed unsecured loan of ₹ 7,000 from Savyasachi Constructions Private Limited to meet its capital expenditure for the modernization/expansion project and other general corporate purposes. The loans are repayable at the end of 3 years from the date of this agreement i.e., March 29, 2025 and carries interest @ 14.50% p.a. (2024-25: 14.50% p.a.).
- Note (iv):**
The Group has not made defaults in repayment of principal and interest on the above loans. The Group has used the borrowings for the purposes for which it was taken.
- Note (v):**
For the year ended March 31, 2026, there has been a deviation with respect to certain financial ratios of the Parent company and Andhra Cements Limited, subsidiary in comparison with the prescribed limits mentioned in the loan sanctioned letters disclosed under non current borrowings. Prior to the reporting date, the management has however obtained a waiver from the lenders on compliance with such financial ratios and that the existing repayment schedules as per the sanction terms would continue. Accordingly, borrowings continue to be classified in accordance with the terms of the repayment schedule agreed with the lenders.
- Note (vi):**
Information about the Group's exposure to liquidity risk, market risk and fair value measurement is included in Note 31.

All amounts are in ₹ Lakhs unless otherwise stated

14B CURRENT BORROWINGS (AT AMORTISED COST)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans from banks		
Cash credit facilities (Refer notes below)	29,275	29,338
Current maturities of non-current borrowings (Refer note 14A and notes below)	14,946	13,158
Non-convertible debentures (Refer note 11 below)	-	1,153
Total secured borrowings	44,221	43,649

Notes:

- The Company has availed cash credit facilities from State bank of India. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on the entire property, plant and equipment of the Company including land and building, excluding Bayyavaram plant and Mattampally WHR plant and are guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director. The loans are repayable on demand and carries interest @ 10.45% p.a. to 11.95% p.a. (2024-25: 9.40% p.a. to 10.45% p.a.).
- The Company has availed cash credit facilities from Axis Bank Limited. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on the property, plant and equipment of the Company (excluding plant and equipment of grinding unit at Bayyavaram and WHR unit) and are guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director. The loans are repayable on demand and carries interest @ 8.95% p.a. to 9.70% p.a. (2024-25: 9.40% p.a. to 9.70% p.a.).
- The Company has availed cash credit facilities from HDFC Bank Limited. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on the property, plant and equipment of the Company including land and building (excluding plant and equipment of grinding unit at Bayyavaram and WHR unit), and post dated cheques aggregating ₹ 1,000 from any working capital banker and are guaranteed by S. Sreekanth Reddy, Joint Managing Director. The loans are repayable on demand and carries interest @ 9.25% p.a. to 10.00% p.a. (2024-25: 8.45% p.a. to 10.01% p.a.).
- The Company has availed cash credit facilities from The Federal Bank Limited. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on property, plant and equipment (movable and immovable, including mining land) of the Company, present and future, and are guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Joint Managing Director. The loans are repayable on demand and carries interest @ 7.90% p.a. to 8.50% p.a. (2024-25: 8.50% p.a. to 9.10% p.a.).
- The Company has availed cash credit facilities from Yes Bank Limited. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on movable property, plant and equipment and negative lien on immovable property, plant and equipment of the Company, present and future, and are guaranteed by Dr. S. Anand Reddy, Director and S. Sreekanth Reddy, Director and corporate guarantee of Sagar Cements Limited. The loans are repayable on demand and carries interest @ 9.05% p.a. to 10.55% p.a. (2024-25: 9.55% p.a. to 10.85% p.a.).
- The Company has availed cash credit facilities from State Bank of India. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on movable property, plant and equipment and including equitable mortgage(EM) of 30 acres of project lease land (mining land excluded), and are guaranteed by Dr. S. Anand Reddy, Director and S. Sreekanth Reddy, Director and corporate guarantee of Sagar Cements Limited. The loans are repayable on demand and carries interest @ 10.20% p.a. to 11.70% p.a. (2024-25: 9.40% p.a. to 9.95% p.a.).

- The Company has availed cash credit facilities from State Bank of India. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on movable property, plant and equipment and negative lien on immovable property, plant and equipment of the Company, present and future, and corporate guarantee of Sagar Cements Limited. The loans are repayable on demand and carries interest @ 10.85% p.a. to 11.25% p.a. (2024-25: 9.35% p.a. to 11.25% p.a.).
- The Company has availed cash credit facilities from Yes Bank of India. This facility is secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on movable property, plant and equipment and negative lien on immovable property, plant and equipment of the Company, present and future, and first pari pasu charge by way of pledge on equity shares of 2,18,90,883 shares held by Sagar Cements Limited in Andhra Cements Limited. The loans are repayable on demand and carries interest @ 9.05% p.a. to 10.80% p.a. (2024-25: 10.55% p.a. to 10.75% p.a.).
- The Company has used the borrowings for the purposes for which it was taken.
- The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account.
- The Company has issued 1,500 unrated, listed, secured and redeemable non-convertible debentures of a face value of ₹ 10 lakhs each aggregating ₹ 15,000 lakhs on a private placement. These debentures carry a coupon rate of 11.60% p.a.. The Company has appointed IDBI Trusteeship Services Limited as Debenture Trustee which is also acting as the Security Trustee for aforesaid debenture Holders. The above listed and redeemable non-convertible debentures are secured by a first raking charge over: (a) First pari-passu charge on the property, plant and equipment owned by or belonging to the Company both present and future, situated at certain location. (b) Second charge on the current assets of the Company. (c) Guaranteed by Dr. S. Anand Reddy, Managing Director and S. Sreekanth Reddy, Director. These debentures were redeemed during the year. The Loan is fully repaid during the year. Further, the charges against the Company's assets were satisfied as at March 31, 2026.

15. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Trade deposits	10,423	9,743
Other payables	193	193
Liabilities under financial arrangement	847	-
Interest accrued but not due on borrowings	153	-
Total	11,616	9,936

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Trade deposits	420	326
Interest accrued but not due on borrowings	1,299	998
Unclaimed dividends (Refer note (i) below)	27	30
Capital creditors	1,199	4,585
Supplier credit (Refer note (ii) below)	26,010	22,699
Liabilities under financial arrangement	238	-
Others (Salaries, Wages, Bonus and Other Employee Payables, Derivative liability etc.,)	104	165
Total	29,297	28,803
Total other financial liabilities	40,913	38,739

Notes:

- (i) There is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Group as on March 31, 2026 and March 31, 2025.
- (ii) The Group participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a bank. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the bank at a later date.

These arrangements provide the Group with extended payment terms, or the suppliers with early payment terms, compared to the related invoice payment due date.

From the Group's perspective, the arrangement extends payment terms beyond the normal terms agreed with other suppliers that are not participating and requires the Group to incur additional interest towards the bank on the amounts due to the suppliers. The Group therefore includes the amounts subject to the arrangement within other financial liability.

All payables under the arrangement are classified as current as at March 31, 2026 and March 31, 2025.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of financial liabilities subject to supplier finance arrangement		
Presented within other financial liability	26,010	22,699
- of which suppliers have received the payment from the bank	26,010	*
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	Usance of upto 90 days from date of bill of exchange in case of domestic transactions and usance of upto 180 days from date of bill of exchange in case of import transactions.	*
Comparable trade payables (days after invoice date)	Upto 90 days	*

* The Group applied transitional relief available under Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption.

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements.

- (iv) Information about the Group's exposure to liquidity risk, market risk and fair value measurement is included in Note 31.

All amounts are in ₹ Lakhs unless otherwise stated

16. PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity (Refer note 32)	1,727	1,351
Compensated absences (Refer note 32)	1,029	719
Others:		
Liability for land restoration costs	1,142	772
Total provisions	3,898	2,842
Non-current		
Provision for employee benefits:		
Gratuity	1,356	1,066
Compensated absences	561	517
Others:		
Liability for land restoration costs	1,142	772
Total	3,059	2,355
Current		
Provision for employee benefits:		
Gratuity	371	285
Compensated absences	468	202
Total	839	487

PROVISION FOR LAND RESTORATION COSTS

The activities of the Group involve mining of land taken under lease. In terms of relevant statutes, the mining areas would require restoration at the end of the mining lease. The future restoration expenses are affected by a number of uncertainties, such as, technology, timing etc. Because of the long-term nature of the liability, the greatest uncertainty in estimating the provision is the costs that will be incurred. In particular, the Group has assumed that the mine will be restored using technology and materials that are currently available. The provision has been calculated using a discount rate of 10.11% p.a. (March 31, 2025: 9.94% p.a), which is the risk-free rate. As per the requirement of Ind AS 37, the management has estimated such future expenses on a best judgment basis and provision thereof has been made in the accounts at their present value. The table below gives information about movement in land restoration cost provisions.

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	772	636
Add: Additions during the year	293	67
Add: Unwinding of discount	77	69
Less: Adjustment during the year	-	-
Less: Utilised during the year	-	-
Closing balance	1,142	772

17. TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (MSME) (Refer note 30)	7,143	3,208
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note below)	27,457	29,543
Total trade payables	34,600	32,751

Note: Includes ₹ 1,110 (March 31, 2025: ₹ 1,221) trade payable and includes ₹ 12 (March 31, 2025: ₹ 12) rent payable to related party (Refer note 34).

(A) TRADE PAYABLES AGEING SCHEDULE FOR THE YEAR ENDED MARCH 31, 2026 AND MARCH 31, 2025:

FY 2025-26:

Particulars	Unbilled dues	Billed but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	5,431	1,710	2	-	-	7,143
(ii) Others	7,740	12,634	6,894	60	6	123	27,457
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	7,740	18,065	8,604	62	6	123	34,600

All amounts are in ₹ Lakhs unless otherwise stated

FY 2024-25:

Particulars	Unbilled dues	Billed but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2,341	867	-	-	-	3,208
(ii) Others	6,387	8,036	13,124	1,475	42	479	29,543
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	6,387	10,377	13,991	1,475	42	479	32,751

(B) Information about the Group's exposure to liquidity risk, market risk and fair value measurement is included in Note 31.

18. OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advance from customers	6,367	6,451
Statutory Liabilities	1,281	4,329
Liability towards dealer incentive	3,083	2,380
Total	10,731	13,160
Total other liabilities	10,731	13,160

19. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised from contracts with customers		
Revenue from		
- Sale of cement and clinker (Refer note 40)	2,55,556	2,18,053
- Sale of power (Refer note 40)	208	647
- Sale of Services – Contract manufacturing (Refer note 40)	1,568	1,057
Other operating income		
- Sale of scrap	446	439
- Incentives received from government (Refer note 49)	6,791	4,605
- Insurance claims	311	69
- Others	122	894
Total revenue from operations	2,65,002	2,25,764

20. OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income on financial assets at amortised cost	1,052	1,590
Unwinding of guarantee obligation	6	-
Profit on sale of property, plant & equipment (net)	678	519
Liabilities no longer required written back (net)	268	2
Net gain on foreign currency transactions and translation	-	12
Net gain on fair value change in financial instruments	132	-
Miscellaneous income	19	20
Total other income	2,155	2,143

All amounts are in ₹ Lakhs unless otherwise stated

21. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	1,838	1,331
Add: Purchases	48,390	42,937
Less: Closing stock	1,910	1,838
Total cost of materials consumed	48,318	42,430
Details of materials consumed		
Limestone	14,435	12,768
Laterite	5,004	4,843
Iron-ore sludge	357	257
Gypsum	3,998	3,087
Flyash	6,553	5,622
Clinker Purchased	10,063	2,809
Slag	5,896	6,176
Others (includes internal clinker transportation charges)	9,211	9,658
Less: Captive consumption	(7,199)	(2,790)
Total	48,318	42,430

22. PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cement	-	592
Total Purchase of stock-in-trade	-	592

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year:		
Finished goods	2,555	2,147
Work-in-progress	8,998	9,462
	11,553	11,609
Inventories at the end of the year:		
Finished goods	2,122	2,555
Work-in-progress	7,384	8,998
	9,506	11,553
(Increase)/ decrease in inventory:		
Finished goods	433	(408)
Work-in-progress	1,614	464
Net decrease/(increase)	2,047	56

24. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	11,603	10,581
Contribution to provident and other funds (Refer note 32)	1,347	1,222
Compensated absences	509	284
Staff welfare expenses	1,460	1,221
Total employee benefits expense	14,919	13,308

All amounts are in ₹ Lakhs unless otherwise stated

25. FINANCE COST

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on borrowings (at amortised cost)		
- Banks and financial institutions	15,688	15,257
- Others	1,645	66
Interest on deposit from dealers (at amortised cost)	388	391
Interest on lease liability (Refer note 35)	259	87
Unwinding of discount on mine restoration provision	77	69
Other borrowing cost (Refer note 1 below)	2,987	2,943
	21,044	18,813
Less: Borrowing costs on qualifying assets capitalised (Included in above interest expense on borrowings)	(1,349)	-
Total finance cost	19,695	18,813

Notes:

1 Other borrowing cost includes interest on bills acceptances (supplier credit), bank guarantees and bank charges.

26. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 2)	23,265	22,490
Depreciation on right of use assets (Refer note 3 and 35)	318	195
Amortisation of intangible assets (Refer note 4A)	382	390
Total depreciation and amortisation	23,965	23,075

27. OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of packing materials	8,150	7,549
Consumption of Stores and spares	5,603	6,037
Repairs and maintenance		
- Plant and machinery	5,191	4,717
- Buildings	48	36
- Others	2,180	1,933
Sales promotion expenses	4,615	2,993
Expected credit loss allowances	396	(130)
Provision for incentives receivable from government	-	750
(Reversal)/ provision for impairment on capital advances	(306)	46
Provision for impairment on supplier advances	-	132
Advances written off	2	5
Rent (Refer note 35)	288	270
Insurance	644	581
Rates and taxes	1,740	419
Expenditure on corporate social responsibility	178	244
Payment to Auditors	140	145
Travelling and conveyance	861	850
Security services	844	768
Donations and contributions	59	92
Legal and other professional	1,282	1,194
Administrative expenses	554	540
Printing and stationery	52	59
Communication	117	110
Net Loss on foreign currency transactions and translation	228	41
Net loss on fair value change in financial instruments	-	85
Directors sitting fees	75	67
Miscellaneous expenses	100	150
Loss on sale of property, plant and equipments (net)	-	5
Total other expenses	33,041	29,688

All amounts are in ₹ Lakhs unless otherwise stated

28. INCOME TAX EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amounts recognized in the statement of profit & loss		
Current tax:		
In respect of the current year	-	-
In respect of prior years	(940)	-
	(940)	-
Deferred tax		
In respect of current year origination and reversal of temporary differences (Refer note (i) below)	(11,293)	(6,685)
	(11,293)	(6,685)
Total tax expense	(12,233)	(6,685)
(b) Amounts recognised in other comprehensive income		
Deferred tax income on remeasurements of defined benefit plans	5	(34)
Total	5	(34)
(c) Amounts recognised in equity		
Deferred tax adjustments in ownership interest in subsidiary without loss of control (Refer note 46)	2,025	-
Total	2,025	-

RECONCILIATION OF EFFECTIVE TAX RATE:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/ (Loss) before tax (A)	(12,306)	(28,353)
Enacted tax rates in India (B)	25.17%	34.94%
Expected tax expense (C = A*B)	(3,097)	(9,907)
Effect of non-deductible (income) / expenses not taxable (net)	201	134
Effect of temporary differences for which no deferred tax is recognised previously	(56)	-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Recognition of previously unrecognised tax losses (net) (Refer note (i) below)	(8,287)	3,453
Effect on change in tax rate (Refer note (ii) below)	(360)	-
Effect of tax paid at a lower rate	-	316
Changes in ownership interest in subsidiary without loss of control (Refer note 46)	(1,100)	-
Current tax adjustments of earlier years	(940)	-
Derecognition of previously recognised tax credits	1,444	-
Others	(38)	(681)
Total	(9,136)	3,222
Total tax expense	(12,233)	(6,685)

All amounts are in ₹ Lakhs unless otherwise stated

MOVEMENT IN DEFERRED TAX ASSETS AND LIABILITIES FOR THE YEAR 2025-26:

Particulars	Opening balance	(Recognized) / reversed through the statement of profit and loss	Recognized through other comprehensive income	Amounts recognised equity	Closing balance
Property, plant and equipment and intangible assets	39,728	(10,966)	-	-	28,762
Provision for employee benefits	(645)	(44)	(5)	-	(694)
Expected credit loss allowance	(441)	22	-	-	(419)
MAT credit entitlement	(8,708)	1,444	-	-	(7,264)
Carry forward unabsorbed depreciation and business losses	(38,559)	(2,158)	-	2,025	(38,692)
Right-of-use assets	(71)	1,045	-	-	974
Lease Liabilities	122	(794)	-	-	(672)
Provision for impairment on other assets	(1,449)	424	-	-	(1,025)
Loans and borrowings	135	(167)	-	-	(32)
Others	(10)	(99)	-	-	(109)
Total Deferred tax liability (Net)	(9,898)	(11,293)	(5)	2,025	(19,171)

MOVEMENT IN DEFERRED TAX ASSETS AND LIABILITIES FOR THE YEAR 2024-25:

Particulars	Opening balance	(Recognized) / reversed through the statement of profit and loss	Recognized through other comprehensive income	Amounts recognised equity	Closing balance
Property, plant and equipment and intangible assets	39,851	(123)	-	-	39,728
Provision for employee benefits	(531)	(148)	34	-	(645)
Expected credit loss allowance	(487)	46	-	-	(441)
MAT credit entitlement	(8,708)	-	-	-	(8,708)
Carry forward unabsorbed depreciation and business losses	(32,432)	(6,127)	-	-	(38,559)
Right-of-use assets	(51)	(20)	-	-	(71)
Lease Liabilities	54	68	-	-	122
Provision for impairment on other assets	(1,086)	(363)	-	-	(1,449)
Loans and borrowings	163	(28)	-	-	135
Others	(20)	10	-	-	(10)
Total Deferred tax liability (Net)	(3,247)	(6,685)	34	-	(9,898)

Note:

- (i) The Group is carrying an amount of ₹ 45,956 (March 31, 2025: ₹ 47,267) as deferred tax assets on carry forward of business losses, unused tax credits and unabsorbed depreciation.

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Based on the projections for future taxable income over the periods, the Group has recognised deferred tax assets as there is convincing evidence that sufficient taxable profit will be available against which the business loss, unused tax credits and unabsorbed depreciation can be utilised by the entity. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax assets.

All amounts are in ₹ Lakhs unless otherwise stated

- (ii) During the year, the Group has exercised the option to be taxed under Section 115BAA of the Income-tax Act, 1961. Accordingly, deferred tax assets and liabilities have been remeasured using the tax rates expected to apply in the periods in which the temporary differences are anticipated to reverse. The consequential impact arising from such remeasurement has been recognised in the Statement of Profit and Loss.
- (iii) The Group has not recognised a deferred tax liability on temporary differences of ₹ 29,618 (March 31, 2025: ₹ 35,541) arising from the capital reserve recognised on acquisition of subsidiary namely, Andhra Cements limited pursuant to a business combination as the Group does not intend to dispose of these investments in the near future and does not expect these temporary differences to reverse in the near future.

GROSS DEFERRED TAX ASSETS AND LIABILITIES ARE AS FOLLOWS:

As at March 31, 2026	Assets	Liabilities	Net Liability
Deferred tax assets/(liabilities) in relation to:			
Property, plant and equipment and intangible assets	(13,828)	14,934	28,762
Provision for employee benefits	115	(579)	(694)
Expected credit loss allowance	21	(398)	(419)
MAT credit entitlement	-	(7,264)	(7,264)
Carry forward business losses and depreciation	36,377	(2,315)	(38,692)
Right-of-use assets	(521)	453	974
Lease Liabilities	401	(271)	(672)
Provision for impairment on other assets	70	(955)	(1,025)
Loans and borrowings	(6)	(38)	(32)
Others	-	(109)	(109)
Total	22,629	3,458	(19,171)

As at March 31, 2025	Assets	Liabilities	Net Liability
Deferred tax assets/(liabilities) in relation to:			
Property, plant and equipment and intangible assets	(18,300)	21,428	39,728
Provision for employee benefits	123	(522)	(645)
Expected credit loss allowance	5	(436)	(441)
MAT credit entitlement	-	(8,708)	(8,708)
Carry forward business losses and depreciation	33,765	(4,794)	(38,559)
Right-of-use assets	-	(71)	(71)
Lease Liabilities	-	122	122
Provision for impairment on other assets	-	(1,449)	(1,449)
Loans and borrowings	(135)	-	135
Others	-	(10)	(10)
Total	15,458	5,560	(9,898)

Income tax assets and liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets	1,962	1,625
Income tax liabilities	-	595
Net Income tax liabilities	1,962	1,030

29. CONTINGENT LIABILITIES, CORPORATE GUARANTEES AND CAPITAL COMMITMENTS

A) CONTINGENT LIABILITIES:

Based on legal opinion/advice obtained, no financial implication to the group with respect to the following cases is perceived as on the Balance Sheet date.

- i) Claims against the Group not acknowledged as debt:

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax	3,461	5,605
Indirect tax	3,560	1,716
Others	1,910	428

- ii) The contingent liabilities disclosed above include, wherever applicable, the estimated interest amounting to ₹ 1,606 that may arise on the underlying obligations. The recognition and measurement of such interest have been considered in accordance with the principles outlined under Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, read with other relevant Ind AS guidance. The interest component included in the contingent liabilities is based on management's best estimate of the potential outflow of economic resources, considering the facts of each case, applicable contractual terms, and interpretations of relevant laws and regulations. Such estimates involve judgment, particularly with respect to the timing, applicability, and rate of interest under the respective statutes. The amounts disclosed are subject to inherent uncertainties and may vary based on the outcome of ongoing proceedings, changes in legal interpretations, or future judicial pronouncements.
- iii) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

All amounts are in ₹ Lakhs unless otherwise stated

B) COMMITMENTS:

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	17,447	35,925

30. DISCLOSURES REQUIRED UNDER SECTION 22 (DUES TO MICRO AND SMALL) OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006:

This information has been determined to the extent such parties have been identified on the basis of information available with the Group. The amount of dues payable to micro, small and medium enterprises is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the financial year	7,143	3,208
The amount of interest paid by the buyer under the Act along with the amounts of payment made to the supplier beyond the appointed day during each financial year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act.	-	-

31. FINANCIAL INSTRUMENTS:

The material accounting policies, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1(b)(xx) to the financial statements.

(I) CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital (total equity) includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using debt-equity ratio, which is total debt less cash and cash equivalents and other bank balances divided by total equity.

The Group's debt to equity ratio i.e. capital gearing ratio as at March 31, 2026 and March 31, 2025 is as follows:

Description	As at March 31, 2026	As at March 31, 2025
Debt (Refer Note below)	1,67,392	1,42,993
Cash and cash equivalents and Other bank balances	1,869	16,425
Net debt	1,65,523	1,26,568
Total equity	1,86,092	1,79,433
Net debt to equity ratio	0.89	0.71

Note: Debt comprises of current and non-current borrowings as disclosed in Note 14 and 15.

In addition, the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders to manage interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Group.

(II) No interim or final dividends have been declared by the holding company during the financial year ended March 31, 2026 and March 31, 2025.

All amounts are in ₹ Lakhs unless otherwise stated

Financial instruments:

a) Classification of financial assets and liabilities

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2026	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Totalw
Financial assets								
(i) Derivative asset	132	-	-	132	-	132	-	132
(ii) Loans	-	-	166	166	-	-	-	-
(iii) Trade receivables	-	-	22,594	22,594	-	-	-	-
(iv) Cash and cash equivalents	-	-	352	352	-	-	-	-
(v) Other bank balances	-	-	1,517	1,517	-	-	-	-
(vi) Other financial assets	-	-	17,602	17,602	-	-	-	-
Total Financial assets	132	-	42,231	42,363	-	132	-	132
Financial liabilities								
(i) Borrowings*	-	-	1,67,199	1,67,199	-	-	-	-
(ii) Trade payables	-	-	34,600	34,600	-	-	-	-
(iii) Lease liabilities	-	-	3,636	3,636	-	-	-	-
(iv) Other financial liabilities	-	-	40,913	40,913	-	-	-	-
Total Financial liabilities	-	-	2,46,348	2,46,348	-	-	-	-

All amounts are in ₹ Lakhs unless otherwise stated

As at March 31, 2025	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Totalw
Financial assets								
(i) Loans	-	-	156	156	-	-	-	-
(ii) Trade receivables	-	-	20,417	20,417	-	-	-	-
(iii) Cash and cash equivalents	-	-	7,049	7,049	-	-	-	-
(iv) Other bank balances	-	-	9,376	9,376	-	-	-	-
(v) Other financial assets	-	-	6,353	6,353	-	-	-	-
Total Financial assets	-	-	43,351	43,351	-	-	-	-
Financial liabilities								
(i) Derivative liability	95	-	-	95	-	95	-	95
(ii) Borrowings*	-	-	1,42,800	1,42,800	-	-	-	-
(iii) Trade payables	-	-	32,751	32,751	-	-	-	-
(iv) Lease liabilities	-	-	1,780	1,780	-	-	-	-
(v) Other financial liabilities	-	-	38,644	38,644	-	-	-	-
Total Financial liabilities	95	-	2,15,975	2,16,070	-	95	-	95

The Group has not disclosed the fair values of financial instruments such as trade receivables, loans, cash and cash equivalents, bank balances other than cash and cash equivalents, incentives receivable bank cash credits, payable for capital expenditure and trade payables, because their carrying amounts are a reasonable approximation of fair value.

* The amortised cost of long-term borrowings with banks accounted using effective interest rate method are considered to be at their fair values.

All amounts are in ₹ Lakhs unless otherwise stated

b) Fair value measurements

Set out above, is the comparison of the fair values of the financial assets and liabilities included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques. The Group has established the following fair value hierarchy that categorises the values into 3 levels.

The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all securities which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date. There are no investments as on March 31, 2026 and March 31, 2025.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

c) Fair value hierarchy

Quantitative disclosures of fair value measurement hierarchy-Level 2 for financial instruments.

Particulars	Notes	As at March 31, 2026	As at March 31, 2025	Level
Financial Assets				
Measured at fair value through profit and loss (FVTPL)				
Derivative asset	5	132	-	2
Financial liabilities				
Measured at fair value through profit and loss (FVTPL)				
Derivative liability	15	-	95	2

Valuation inputs and relationships to fair value:

The Group enters into derivative financial instruments with various counterparties principally, banks with investment grade credit ratings. The following table summarises the valuation technique used in measuring the fair value of the financial instruments, as well as the significant unobservable inputs used.

Particulars	Valuation technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.	Not applicable	Not applicable

There was no transfer between level 1 and level 2 fair value measurement for the years ended March 31, 2026 and March 31, 2025.

Financial risk management objectives:

The Group's financial liabilities primarily comprise borrowings, lease liabilities, security deposits, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets primarily include trade and other receivables, cash and cash equivalents and Investments.

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group has a Risk management policy, and its management is supported by a Risk management committee that advises on risks and the appropriate financial risk governance framework for the Group. The Risk management committee provides assurance to the Group's management that the Group's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

All amounts are in ₹ Lakhs unless otherwise stated

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates.

The Group's exposure to the risk of changes in market rates relates primarily to the Group's non-current debt obligations with floating interest rates.

Moreover, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. The Group has not used any interest rate derivatives.

Exposure of Interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed-rate instruments		
Assets		
Fixed deposits	10,366	16,465
Liabilities		
Non-current borrowings	12,280	6,147
Variable-rate instruments		
Non-current borrowings (including current maturities of long term debt)	1,25,644	1,07,315
Current borrowings	29,275	29,338

Cash flow sensitivity analysis for variable-rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have (increased)/ decreased loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	Decrease	Increase	Decrease
Impact on profit or loss before tax	(1,549)	1,549	(1,367)	1,367
Impact on equity, net of tax	(1,159)	1,159	(889)	889

(ii) Foreign Currency risk:

The functional currency of Group is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are Indian Rupees. Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the import of fuels (i.e. Coal) & spare parts and capital expenditure if any, when a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments to hedge exposure to foreign currency risk.

Outstanding foreign currency exposure	As at March 31, 2026	As at March 31, 2025
Trade Payables		
USD	4,914	4,694
Capital Payables		
USD	888	152
Less: Derivatives – Foreign currency forward contracts	4,914	4,694
Net exposure in financial liabilities	888	152

All amounts are in ₹ Lakhs unless otherwise stated

Foreign currency sensitivity on unhedged exposure:

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. For 5% increase or decrease in foreign exchange rates will have the following impact on profit before tax and equity, net of tax.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Strengthening	Weakening	Strengthening	Weakening
Impact on profit or loss before tax	44	(44)	8	(8)
Impact on equity, net of tax	11	(11)	8	(8)

Note: If the rate is decreased by 100 bps profit will decrease by an equal amount.

Credit risk:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks and investments in equity securities. The Group has no significant concentration of credit risk with any counterparty. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management.

Trade receivables: Customer credit risk is managed by the respective department subject to Group's policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Group. Outstanding customer receivables are regularly monitored. The Group does not have higher concentration of credit risks since no single customer accounted for 10% or more of the Group's net sales. Refer Note 9 for disclosure related to Expected credit losses.

Cash and cash equivalents and deposits with banks: Credit Risk on cash and cash equivalent and term deposits is generally low as these are kept with banks who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only with Financial Institutions approved by Reserve Bank India. Balances with banks were not past due or impaired as at year end. Other than the details

disclosed below, other financial assets are not past due and not impaired, there were no indications of default in repayment as at year end.

Loans: All of the Group's loans at amortised cost are considered to have low credit risk, and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default, and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

Credit Risk on Derivative Instruments is generally low as Group enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Security deposits: It consists of rent, electricity and other deposits. The Group does not expect any financial loss as the said deposits are given only to credible vendors/ service providers.

There are no investments as on March 31, 2026 and March 31, 2025.

Liquidity risk:

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations associated with financial liabilities as they fall due. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Group manages liquidity risk by maintaining adequate cash and cash equivalents, monitoring forecast and actual cash flows, and aligning the maturity profiles of financial assets and liabilities.

During the year ended March 31, 2026, there were deviations in compliance with certain financial ratios, under the Group's borrowing arrangements. These deviations did not result in any payment defaults. Prior to the reporting date, the Group has obtained appropriate waivers from its lenders for such non-compliances. Accordingly, the borrowings continue to be classified in accordance with their contractual terms of repayment.

The Management monitors the Group's liquidity position on an ongoing basis and believes that the Group has adequate resources, including expected cash flows from operations and available credit facilities, to meet its financial obligations as they fall due.

All amounts are in ₹ Lakhs unless otherwise stated

Maturity profile of financial liabilities:

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cash.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2026 are as follows:

Particulars	< 1 Year	1 – 2 years	> 2 years
Trade Payables	34,600	-	-
Other financial liabilities	29,297	1,054	10,562
Lease liabilities	1,097	921	3,070
Borrowings (including current maturities of non-current borrowings)	56,437	27,040	1,34,977

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2025 are as follows:

Particulars	< 1 Year	1 – 2 years	> 2 years
Trade Payables	32,751	-	-
Other financial liabilities	28,803	737	9,199
Lease liabilities	483	472	2,015
Borrowings (including current maturities of non-current borrowings)	43,649	13,268	85,883

32. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS:

The employee benefit schemes are as under:

(I) DEFINED CONTRIBUTION PLAN:

Provident Fund

The group makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the group is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The group's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. Total expense recognized during the year aggregated ₹ 623 (2024-25: ₹ 587).

Superannuation Fund

Few directors receive benefit under a Superannuation scheme which is a defined contribution scheme wherein the director has an option to choose the percentage of contribution in between 5% to 15% of the basic salary of the covered employee. These contributions are made to a fund administrated by Life Insurance Corporation of India. The group's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. Total expense recognized during the year aggregated ₹ 86 (2024-25: ₹ 66).

Employee State Insurance

The group makes employee state insurance contributions which are defined contribution plans for qualifying employees. Under the scheme, the group is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the funds administered and managed by the Government of India. The group's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. The total expense recognized during the year aggregated ₹ 3 (2024-25: ₹ 5).

(II) DEFINED BENEFIT PLAN:

Gratuity:

The Group has a defined retirement benefit gratuity plan. The gratuity plan is governed by the Code of Social Security, 2020. Under the Code of Social Security, 2020, employee who has completed five years of service is entitled to specific benefit. The scheme is funded with insurance companies in the form of qualifying insurance policy for employees. The Gruity plan is administered by the Life Insurance Corporation of India (LIC) through trust.

The defined benefit plan exposes the Group to actuarial risk such as longevity risk, currency risk, interest rate risk and market risk.

All amounts are in ₹ Lakhs unless otherwise stated

The following table sets out the funded status of the gratuity plan and the amounts to be recognized in the financial statements as per actuarial valuation as at March 31, 2026 and March 31, 2025:

a) **The principal assumptions used for the purposes of actuarial valuations were as follows:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Mortality table (LIC)	IALM 2012-14 (ultimate)	IALM 2012-14 (ultimate)
Discount rate	7.51% - 7.69%	6.83% - 6.96%
Rate of escalation in salary	8.56% - 9.61%	7.71% - 8.52%
Attrition rate	11.93% - 29.34%	10.92% - 25.95%

b) **Components of Defined benefit costs recognized in profit and loss and other comprehensive income:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount recognized in statement of profit and loss in respect of defined benefit plan is as follows:		
Current service cost	339	345
Interest expense	127	131
Interest income on plan assets	(1)	(2)
Other adjustments	12	16
Expected return on plan assets	(58)	(67)
Defined benefit cost included in profit and loss	419	423
Amounts recognized in Other Comprehensive Income (OCI) are as follows:		
Remeasurements – Due to financial adjustments	35	(151)
Remeasurements – Due to demographic adjustments	(25)	1
Remeasurements – Due to experience adjustments	7	73
Return on plan assets (excluding interest income)	(5)	(4)
Components of defined benefit costs recognized in OCI	12	(81)

c) **Key Results - Reconciliation of fair value of assets and defined benefit obligations:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of funded defined benefit obligations	2,595	2,276
Fair value of plan assets	(868)	(925)
Net liability arising from defined benefit obligation	1,727	1,351

d) **Movement in present value of defined benefits obligation are as follows:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined benefit obligation at the beginning of the year	2,276	2,105
Current service cost	339	345
Interest cost	127	131
Remeasurements – Due to financial adjustments	35	(151)
Remeasurements – Due to demographic adjustments	(25)	1
Remeasurements – Due to experience adjustments	7	73
Benefits paid out of plan assets and by employer	(164)	(228)
Defined benefit obligation at the year end	2,595	2,276

e) **Maturity profile of defined benefit obligation:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within 1 year	375	291
1 – 2 years	339	275
2 – 3 years	400	302
3 – 4 years	321	246
4 – 5 years	245	235
5 – 10 years	875	784

All amounts are in ₹ Lakhs unless otherwise stated

f) **Movements in fair value of plan assets are as follows:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening fair value of the plan assets	925	1,039
Expected return on plan assets	59	69
Contributions from the employer	43	28
Benefits paid out of plan assets	(164)	(210)
Other adjustments	1	(5)
Re-measurement – Return on Assets (excluding interest income)	4	4
Fair value of plan asset at the year end	868	925

g) **Sensitivity Analysis:**

For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation presented under net defined liability. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

There was no change in the methods and assumptions used in the preparation of the sensitivity analysis from previous year.

Particulars	Defined Benefit Obligation			
	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	Decrease	Increase	Decrease
Effect of 1% change in assumed discount rate	2,144	2,343	1,855	2,051
Effect of 1% change in assumed salary rate	2,353	2,132	2,049	1,851
Effect of 1% change in assumed attrition rate	2,227	2,250	1,940	1,958
Effect of 1% change in assumed mortality rate	2,239	2,240	1,948	1,948

The average duration of the benefit obligation at the end of the reporting period is 4 to 6 years (March 31, 2025: 5 to 6 years).

h) **The major categories of plan assets are as under:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Insurer managed funds (Funded with LIC)*	868	925

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

- i) **Asset Liability matching strategy:** The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy. There is no compulsion on the part of the Group to fully refund the liability of the Plan. The Group's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

33. **SEGMENT REPORTING:**

Operating segments are components of the Group that engages in business activities from which it may earn revenues and incur expenses whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. The management has considered that the Group has a single reportable segment based on nature of products, production process, regulatory environment, customers and distribution methods. Further, the Group is engaged in single product line of manufacturing and selling cement and its customers and non-current assets are located in India only.

All amounts are in ₹ Lakhs unless otherwise stated

34. RELATED PARTY DISCLOSURES::

The list of related parties of the Group is given below:

Name	Relationship
Key managerial personnel (KMP):	
K. V. Vishnu Raju	Chairman
Dr. S. Anand Reddy	Managing Director (MD)
S. Sreekanth Reddy	Joint Managing Director (JMD)
Onteddu Rekha	Independent Director
N. Sudha Rani	Nominee Director
Madhavan Ganesan	Nominee Director
Ravichandran Rajagopal	Independent Director
Rachana Sammidi	Director
Jens Van Nieuwenborgh	Nominee Director
John Eric Fernand Pascal Cesar Bertrand	Director (Upto October 21, 2024)
K. Prasad	Chief Financial Officer (CFO)
J. Raja Reddy	Company Secretary (CS)
Relatives of KMP:	
S. Vanajatha	Mother of Dr. S. Anand Reddy and S. Sreekanth Reddy
S. Siddarth Reddy	Son of Dr. S. Anand Reddy
S. Sahithi	Daughter of Dr. S. Anand Reddy
RV Consulting Services Private Limited	Enterprise in which KMP of the Company exercise control
Additional related parties – As per Companies Act, 2013	
Panchavati Polyfibres Limited	Enterprise in which KMP of the Company is a director or member
Sagar Power Limited	Enterprise in which KMP of the Company is a director or member
Sagarsoft (India) Limited	Enterprise in which KMP of the Company is a director or member
AVH Resources India Private Limited	Enterprise in which KMP of the Company is a director or member

SUMMARY OF THE TRANSACTIONS WITH THE ABOVE PARTIES ARE AS FOLLOWS:

Nature of transaction	Party Name	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of packing materials	Panchavati Polyfibres Limited	4,983	5,688
Purchase of property, plant and equipment	RV Consulting Services Private Limited	17,604	8,861
Rent expenses paid	Dr. S. Anand Reddy	52	50
	S. Sreekanth Reddy	52	50
	S. Vanajatha	52	50
	Total	156	150
Sale of scrap	RV Consulting Services Private Limited	15	18
Financial assets – Loan given	K. Prasad	-	80
	J. Raja Reddy	20	-
	Total	20	80
Financial assets – Repayment of loan given	K. Prasad	5	50
	J. Raja Reddy	3	-
	Total	8	50
Legal and professional expenses	Sagarsoft (India) Limited	78	78
Loans taken	RV Consulting Services Private Limited	2,500	2,500
Interest expense on unsecured loan	RV Consulting Services Private Limited	677	19
Reimbursement of expenses received	Sagarsoft (India) Limited	11	10
	RV Consulting Services Private Limited	5	15
	Panchavati Polyfibres Limited	2	10
	Sagar Power Limited	1	2
	Total	19	37

All amounts are in ₹ Lakhs unless otherwise stated

Nature of transaction	Party Name	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment of salary	S. Siddarth Reddy	31	26
Dividend paid	S. Vanajatha	-	35
	RV Consulting Services Private Limited	-	85
	S. Siddarth	-	29
	Panchavati Polyfibres Limited	-	1
	AVH Resources India Private Limited	-	180
	Dr. S. Anand Reddy	-	51
	S. Sreekanth Reddy	-	49
	Rachana Sammidi	-	46
Total		-	476

COMPENSATION TO KEY MANAGERIAL PERSONNEL:

Nature of transaction	Party Name	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term benefits	MD, JMD, CS and CFO	1,161	939
Post-employment benefits	MD, JMD, CS and CFO	156	223
Other long term employment benefits	MD, JMD, CS and CFO	15	-
Sitting fee	Chairman, MD, JMD and Directors	66	53

OUTSTANDING BALANCES:

Nature of the balance	Party Name	As at March 31, 2026	As at March 31, 2025
Other financial assets - Advances	RV Consulting Services Private Limited	-	27
Trade payables	Panchavati Polyfibres Limited	1,094	1,207
	Sagarsoft (India) Limited	7	7
	John Eric Fernand Pascal Cesar Bertrand	4	4
	Jens Van Nieuwenborgh	5	3
	Total		1,110
Payable on purchase of property, plant and equipment	RV Consulting Services Private Limited	55	3,478
Capital advances	RV Consulting Services Private Limited	7,400	427
Trade receivables	RV Consulting Services Private Limited	-	44
Loans taken	RV Consulting Services Private Limited	5,000	2,500
Interest accrued but not due on loan taken	RV Consulting Services Private Limited	55	17
Financial assets - Loan	K. Prasad	25	30
	J. Raja Reddy	17	-
Total		42	30
Rent Payable	Dr. S. Anand Reddy	4	4
	S. Sreekanth Reddy	4	4
	S. Vanajatha	4	4
Total		12	12

All amounts are in ₹ Lakhs unless otherwise stated

35. LEASE

The Group has lease contracts for various items of plant and machinery, Leasehold land and buildings used in its operations with lease terms between 2 and 99 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of buildings with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases. There are no low-value or variable lease expenses for the Group.

For building leases, the Group has used an incremental borrowing rate determined based on its average borrowing cost adjusted for lease specific factors.

For certain plant and machinery leases, where the fair value or cost of the underlying asset and lease payment structure are available in the lease arrangement, the interest rate implicit in the lease has been determined and used for measurement of the lease liability.

Following are the movement in the carrying value of right of use assets during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	2,794	1,042
Additions	2,930	1,947
Depreciation	(318)	(195)
Closing balance	5,406	2,794

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the movement in lease liabilities during the year ended March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	1,780	220
Additions	2,880	1,903
Interest expense	259	87
Payments including Interest expense	(1,283)	(430)
Closing balance	3,636	1,780

The following is the break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Non-current	2,744	1,318
Current	892	462
Total	3,636	1,780

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Within one year	1,097	483
After one year but not more than five years	3,076	1,452
More than 5 years	915	1,035

All amounts are in ₹ Lakhs unless otherwise stated

Amount recognised in statement of profit and loss account:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amortization of right of use assets	318	195
Interest on lease liability	259	87
Expense relating to short term lease (included in other expenses)	288	270

Impact on statement of cash flows:

Particulars	As at March 31, 2026	As at March 31, 2025
Payment of principal portion of lease liabilities	906	430
Payment of interest portion of lease liabilities	259	-
Payment of short term lease	288	270

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

36. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit after tax (₹ in lakhs)	(73)	(21,668)
Weighted average number of equity shares outstanding (Refer Note 12(a))	13,07,07,548	13,07,07,548
Earnings per share:		
Basic (in ₹)	(0.06)	(16.58)
Diluted (in ₹)	(0.06)	(16.58)

37. Disclosure requirements relating to provisions of Section 135 of Companies Act, 2013 are not required to be presented in the consolidated financial statements.

38. FOLLOWING SUBSIDIARIES HAS BEEN CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

Name of the entity	Relationship	Principal place of business	Ownership held by	% of Holding and voting power held directly	
				As at March 31, 2026	As at March 31, 2025
Sagar Cements (M) Private Limited	Subsidiary	India	Sagar Cements Limited	65%	65%
Andhra Cements Limited	Subsidiary	India	Sagar Cements Limited	75%	90%

All amounts are in ₹ Lakhs unless otherwise stated

39. Disclosure of additional information as required by Paragraph 2 of the General instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit and loss		Share of other comprehensive income		Share in total comprehensive income	
	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount
Sagar Cements Limited (Parent)	88%	1,64,481	(4,599%)	3,357	171%	(12)	(4,599%)	3,345
Sagar Cements (M) Private Limited (Subsidiary)	9%	16,281	(7,145%)	5,216	43%	(3)	(7,145%)	5,213
Andhra Cements Limited (Subsidiary)	4%	8,074	9,200%	(6,716)	(114%)	8	9,200%	(6,708)
Adjustments arising out of consolidation	8%	14,056	4,060%	(2,964)	-	-	4,060%	(2,964)
Non-controlling interests	(9%)	(16,800)	(1,416%)	1,034	-	-	(1,416%)	1,034
Total	100%	1,86,092	100%	(73)	100%	(7)	100%	(80)

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit and loss		Share of other comprehensive income		Share in total comprehensive income	
	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount
Sagar Cements Limited (Parent)	90%	1,61,136	40%	(8,548)	153%	72	39%	(8,476)
Sagar Cements (M) Private Limited (Subsidiary)	6%	11,003	(11%)	2,377	(21%)	(10)	(11%)	2,367
Andhra Cements Limited (Subsidiary)	8%	14,455	70%	(15,211)	(32%)	(15)	71%	(15,226)
Adjustments arising out of consolidation	0%	(9)	(2%)	403	13%	6	(2%)	409
Non-controlling interests	(4%)	(7,152)	3%	(689)	(13%)	(6)	3%	(695)
Total	100%	1,79,433	100%	(21,668)	100%	47	100%	(21,621)

Note: The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

All amounts are in ₹ Lakhs unless otherwise stated

40. (A) RECONCILIATION OF REVENUE FROM SALE OF GOODS/ SERVICES WITH THE CONTRACTED PRICE:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	2,95,344	2,48,597
Less: Discounts and incentives	(38,012)	(28,840)
Total revenue from contracts with customers	2,57,332	2,19,757

- The Group is primarily in the business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery.
- Contract price is determined as per terms agreed with the customer adjusted for discounts and rebates as applicable.
- The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 to 60 days. There is no significant financing component in any transaction with the customers.
- The Group does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- Group's contracts for the sale of goods are typically short-term in nature, with a duration of less than one year. Accordingly, the Group has applied the practical expedient provided under Ind AS 115 and has not disclosed the transaction price allocated to remaining performance obligations.

(B) DISAGGREGATION OF REVENUE:

The Group derives its revenue from contracts with customers for the transfer of goods and services at a point in time.

Revenue by timing of recognition:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Goods transferred at a point in time	2,55,764	2,18,700
Services transferred at a point in time	1,568	1,057

(C) MOVEMENT IN CONTRACT LIABILITIES:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	6,451	4,582
Movement during the year, net	(84)	1,869
Closing balance	6,367	6,451

The amount of revenue recognised during the year against the advance from customers outstanding at the beginning of the year is ₹ 5,618 (March 31, 2025: ₹ 3,785). There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

41. DIVIDEND

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Parent Company's Board of Directors.

The Parent Company declares and pays dividend in Indian rupees. Companies are required to pay/ distribute dividend after deducting applicable withholding income taxes.

The amount of dividend recognized as distribution to equity shareholders in accordance with Companies Act, 2013 is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Final dividend for FY 2023-24 (₹ 0.70 per equity share of ₹ 2 each)	-	915

42. CAPITAL WORK-IN-PROGRESS:

(A) MOVEMENT OF CAPITAL WORK-IN-PROGRESS (CWIP):

Particulars	Amount (₹)
Balance as on April 01, 2024	1,470
Add: Additions during the year (net)	17,910
Less: Capitalised	7,056
Balance as on March 31, 2025	12,324
Add: Additions during the year (net)	33,146
Less: Capitalised	33,893
Balance as on March 31, 2026	11,577

All amounts are in ₹ Lakhs unless otherwise stated

(B) CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE:

Ageing for capital work-in-progress as at March 31, 2026 is as follows:

Particulars	Amount of Capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	10,096	710	81	690	11,577

Ageing for capital work-in-progress as at March 31, 2025 is as follows:

Particulars	Amount of Capital work-in-progress for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	11,405	183	638	98	12,324

There are no projects where activity has been suspended during the year.

Notes:

- The Group does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.
- There are no suspended projects as at March 31, 2026 and March 31, 2025.

43. RELATIONSHIP WITH STRUCK OFF COMPANIES:

Name of Struck off Company	Nature of transactions	Balance outstanding as at March 31, 2026 *	Balance outstanding as at March 31, 2025*
Marble Estate India Limited	Customers of Parent Company	(0.13)	(0.13)
Keller Ground Engineering India Private Limited		(2.00)	(2.00)
Target Fabrication & Constructions Private Limited		(0.10)	(0.10)
Ninad Holding Private Limited	Shareholders of Andhra Cements Limited	46 No's	46 No's
Ninad Holding Pvt Ltd		125 No's	125 No's
Fairgrowth Investments Limited		34 No's	34 No's
Cosmat Investments Private Limited		20 No's	20 No's
Skyline Promoters Private Limited		15 No's	15 No's
LYNX Mutual Funds Limited		13 No's	13 No's
Rockland Leasing Limited		11 No's	11 No's
Baps (India) Trading Private Limited		11 No's	11 No's

Name of Struck off Company	Nature of transactions	Balance outstanding as at March 31, 2026 *	Balance outstanding as at March 31, 2025*
Micronet Software Services Private Limited	Shareholders of Andhra Cements Limited	10 No's	10 No's
Silver Arrow Investments Private Limited		9 No's	9 No's
Devika Constructions Private Limited		5 No's	5 No's
Paul Dey & Company Private Limited		4 No's	4 No's
Suphala Plantations India Limited		4 No's	4 No's
Sukam Financial Services Private Limited		3 No's	3 No's
GPS Commercial Private Limited		3 No's	3 No's
Sindhudurg Investments Private Limited		3 No's	3 No's
HI-LEA Finance Limited		3 No's	3 No's
Victor Properties Private Limited		1 No	1 No
Aravali Commercial Private Limited		1 No	1 No
Mifco Credits & Securities Limited		1 No	1 No
Pranajali Investment & Trading Co Private Limited		1 No	1 No
Baps (India) Trading Private Limited		1 No	1 No
Rajendra Mercantile Private Limited		1 No	1 No
Rohifin Investment Private Limited		1 No	1 No
Small Lots Services Limited	1 No	1 No	
HPM Investments Limited	1 No	1 No	
Balbir Leasing Private Limited	1 No	1 No	
Kay Bee Finvest Private Limited	1 No	1 No	

* Negative amount indicates payable.

All amounts are in ₹ Lakhs unless otherwise stated

44. On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as “the Labour Codes”), subsuming the existing labour laws. Further, the Ministry of Labour and Employment has notified the Rules under the said Codes on May 8, 2026.

The Group has assessed the potential impact of the aforesaid Labour Codes based on the provisions notified, the Rules framed thereunder, related clarifications and legal opinion obtained, in accordance with the guidance issued by the Institute of Chartered Accountants of India.

Based on such assessment, there is no incremental impact identified on the Group’s obligations towards gratuity and compensated absences as at the reporting date.

45. The Board of Directors of the Parent Company in their meeting on March 30, 2026 has accorded in-principle approval for the proposed merger of its subsidiary Andhra Cements Limited (ACL) with the Company subject to necessary approval from the authorities concerned under section 230 and 232 of the Companies Act 2013.

46. The Parent Company has made Offer For Sale (OFS) through stock exchange mechanism for its investment in Andhra Cements Limited (ACL) to meet the final requirement of Minimum Public Shareholding (MPS) by ACL. Accordingly, the shareholding of the Parent Company in ACL reduced from 90% to 75%. Consequently, an amount of ₹ 8,614 representing 15.00% dilution in parent’s interest has been transferred to Non-controlling interests (‘NCI’). Further, tax impact of the said transaction has been recorded in the consolidated statement of profit and loss and other equity.

47. Exceptional item represents the following items which have been debited/ (credited) to consolidated statement of profit and loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fuel & Power Cost Adjustment (Refer note (i) below)	-	2,717

Notes:

(i) During the financial year 2024-25, the Andhra Pradesh Electricity Regulatory Commission issued orders dated October 25, 2024 and November 29, 2024 to recover the True up of the Fuel and Power Purchase Cost Adjustment (FPPCA) from the years 2022-23 onwards. The amounts for FY 2022-23 and FY 2023-24 have been recorded in the financial year 2024-25.

48. The Subsidiary Company, Sagar Cements (M) Private Limited is eligible for an incentive from Madhya Pradesh Industrial Development Corporation Limited (MPIDCL) based on its production and employment generation. Such incentive is in the nature of government grant and hence the Group has recognised ₹ 6,791 (March 31, 2025: ₹ 4,605) under “Other operating income” during the financial year.

49. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, nor any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not revalued its Property, plant and equipment (including right-of-use assets) and Intangible assets during the period.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Parent Company and Subsidiary Companies has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, 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.

(v) The Parent Company and Subsidiary Companies 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 Group shall:

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

(vi) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vii) The Group has not surrendered or disclosed 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).

All amounts are in ₹ Lakhs unless otherwise stated

50. PREVIOUS PERIOD FIGURES HAVE BEEN REGROUPED/RECLASSIFIED TO CONFORM TO CURRENT YEAR'S CLASSIFICATION AS UNDER:

Note No	Note Description	Previously Reported Amount	Revised Amount	Change	Particular
6	Other financial assets - Non-current	4,920	5,029	109	Reclassification of Interest accrued but not due on non-current margin money deposits of ₹ 109 from Other financial assets - Current and included in Deposit with banks with original maturity for more than 12 months at amortised cost.
6	Other financial assets - Current	985	1,324	339	(i) Reclassification of Advance to employees of ₹ 86 to Other assets - Current. (ii) Reclassification of Interest accrued but not due of ₹ 378 from Other financial assets - Current to below: a) Interest accrued but not due on power deposits of ₹ 216 included in the Security deposits reported in Other financial assets - Current. b) Interest accrued but not due on other bank balance deposits of ₹ 53 to Other bank balances and included in the Margin Money deposits. c) Interest accrued but not due on non-current margin money deposits of ₹ 109 to Other financial assets - Non-current and included in Deposit with banks with original maturity for more than 12 months at amortised cost. (iii) Reclassification of Incentives receivable from government of ₹ 587 from Other assets - Current.
7	Other assets - Current	4,450	3,949	(501)	(i) Reclassification of Incentives receivable from government of ₹ 587 to Other financial assets - Current. (ii) Reclassification of Advance to employees of ₹ 86 from Other financial assets - Current.
11	Other bank balances	9,323	9,376	53	Reclassification of Interest accrued but not due on other bank balance deposits of ₹ 53 from Other financial assets - Current and included in Margin money deposits.

Note No	Note Description	Previously Reported Amount	Revised Amount	Change	Particular
15	Other financial liabilities - Current	6,104	28,803	22,699	Reclassification of Supplier finance credit of ₹ 22,699 from Trade Payables - Current.
16	Provisions - Non-current	1,583	2,355	772	Reclassification of Liability for mining restoration costs of ₹ 772 from Other liabilities - Non-current.
17	Trade Payables - Current	57,830	32,751	(25,079)	(i) Reclassification of Supplier finance credit of ₹ 22,699 to Other financial liabilities - Current. (ii) Reclassification of Liability towards dealer incentive of ₹ 2,380 to Other liabilities - Current.
18	Other liabilities - Non-current	772	-	(772)	Reclassification of Liability for mining restoration costs of ₹ 772 to Provisions - Non-current.
18	Other liabilities - Current	10,780	13,160	2,380	Reclassification of Liability towards dealer incentive of ₹ 2,380 from Trade Payables - Current.

51. These consolidated financial statements were approved by the Company's Board of Directors on May 13, 2026.

As per our report of even dated attached.

For **B S R and Co**

Chartered Accountants

Firm Registration No: 128510W

Amit Kumar Bajaj

Partner

Membership No: 218685

Place: Hyderabad

Date: May 13, 2026

For and on behalf of the Board of Directors

Dr. S. Anand Reddy

Managing Director

DIN: 00123870

Place: New Delhi

Date: May 13, 2026

J. Raja Reddy

Company Secretary

M. No. A31113

Place: Hyderabad

Date: May 13, 2026

S. Sreekanth Reddy

Joint Managing Director

DIN: 00123889

Place: Chicago, USA

Date: May 13, 2026

K. Prasad

Chief Financial Officer

Place: Hyderabad

Date: May 13, 2026