

B S R and Co

Chartered Accountants

Salarpuria Knowledge City, Orwell
B Wing, 6th Floor, Unit-3, Sy No. 83/1
Plot No. 02, Raidurg
Hyderabad – 500 081, India
Telephone + 91 407 182 2000
Fax + 91 407 182 2399

The Board of Directors

Sagar Cements Limited

Plot No. 111, Road No.10,
Jubilee Hills, Hyderabad – 500033,
Telangana, India.

5 June 2026

Independent Auditor's Certificate in relation to proposed accounting treatment in the standalone and consolidated books of Sagar Cements Limited as specified in the Proposed Scheme of Amalgamation of Andhra Cements Limited with Sagar Cements Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated 11 July 2025 and addendum to the engagement letter dated 29 May 2026.
2. We have been requested by the management of Sagar Cements Limited (“the Company” or “Transferee Company”) to issue a certificate in relation to the proposed accounting treatment specified in Clause 9.1 of the proposed Scheme of Amalgamation of Andhra Cements Limited with the Transferee Company and their respective shareholders and creditors (“Proposed Scheme”), as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 (“the Act”) with reference to its compliance with the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder (“SEBI regulations”) and the applicable Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act read with relevant Rules issued thereunder and other Generally Accepted Accounting Principles in India.
3. The Proposed Scheme is approved by the Board of Directors of the Transferee Company and the Transferor Company on 5 June 2026 and 5 June 2026 respectively and is subject to approval of the respective Shareholders, the National Company Law Tribunal (“NCLT”) and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 01 April 2026.

Management's Responsibility

4. The preparation of the Proposed Scheme as reproduced in the Annexure A and its compliance with the relevant provision of the Act, SEBI regulations, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the management of the Companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Certificate in relation to proposed accounting treatment in the standalone and consolidated books of Sagar Cements Limited as specified in the Proposed Scheme of Amalgamation of Andhra Cements Limited with Sagar Cements Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 (continued)

Management's Responsibility (continued)

5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme as reproduced in Annexure A and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and providing all relevant information with respect to the Proposed Scheme to the NCLT.

Auditor's Responsibility

7. Pursuant to the requirements of provisions of Section 232 of the Companies Act, 2013, our responsibility is to provide a reasonable assurance whether the proposed accounting treatment specified in Clause 9.1 of the Proposed Scheme and as reproduced in Annexure A to this certificate is in conformity with the Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.
8. We conducted our examination of the proposed accounting treatment referred to in Clause 9.1 of the Proposed Scheme and as reproduced in Annexure A in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

10. As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 01 April 2026 in the Proposed Scheme.

Based on our examination and according to the information and explanations given to us and appropriate representations obtained from the Company, the proposed accounting treatment referred to in Clause 9.1 of the Proposed Scheme and as reproduced in Annexure A to this certificate, signed by us for the purpose of identification only, is in conformity with the SEBI regulations and Ind AS 103 'Business Combinations' i.e. the applicable Accounting Standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.

B S R and Co

Independent Auditor's Certificate in relation to proposed accounting treatment in the standalone and consolidated books of Sagar Cements Limited as specified in the Proposed Scheme of Amalgamation of Andhra Cements Limited with Sagar Cements Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 (continued)

Restriction on use

11. This certificate is issued at the request of the management of the Transferee Company solely for the purpose of onward submission to NCLT and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of SEBI regulations and Sections 230 to 232 of the Act and relevant Rules thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for B S R and Co

Chartered Accountants

Firm's Registration No: 128510W

Amit Kumar Bajaj

Partner

Membership No: 218685

UDIN: 26218685XRCTSI4165

Place: Hyderabad

Date: 5 June 2026



Annexure A

Relevant extract of “Accounting treatment” in relation to proposed accounting treatment in the standalone books of Sagar Cements Limited as specified in the Proposed Scheme of Amalgamation of Andhra Cements Limited with Sagar Cements Limited and their respective shareholders and creditors pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013

Extract of Clause 9.1 under Part IV of the Proposed Scheme in relation to “Accounting Treatment for the Amalgamation”

9.1. Accounting Treatment in the standalone and consolidated books of the Transferee Company

Notwithstanding anything else contained in the Scheme, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with Pooling of Interest Method of accounting as laid down in Appendix C of Indian Accounting Standards (“Ind AS”) 103 (Business Combinations of entities under common control) notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, and the date of such accounting treatment would be in accordance with the applicable Ind AS. Accordingly, the financial information in the financial statements of the Transferee Company in respect of prior period will be restated as if the business combination had occurred from the beginning of the preceding period presented in the financial statements, irrespective of the actual date of the combination and such restatement shall not be considered or treated to be a revision of financial statements in terms of the provisions of Section 131 of the Act. However, if business combination had occurred after that date, the prior period information shall be restated only from that date;

- a) All the assets and liabilities recorded in the standalone books of the Transferor Company shall be transferred to and vested in the standalone books of the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying values as appearing in the consolidated books of account of the Transferee Company. No adjustments are made to reflect fair values or for recognition of any new assets or liabilities.
- b) The identity of the reserves of the Transferor Company shall be preserved and they shall appear in the standalone financial statements of the Transferee Company in the same form and manner, in which they appeared in the consolidated financial statements of the Transferee Company, and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.
- c) The investments in the equity share capital of the Transferor Company as appearing in the standalone books of accounts of the Transferee Company as on the Effective Date, shall stand cancelled.
- d) The Transferee Company shall issue and allot equity shares to the Eligible Shareholders of the Transferor Company, other than Transferee Company itself, in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account. In the consolidated books of account, the non-controlling interest (NCI) shall stand cancelled upon the acquisition of NCI by Transferee Company by issuance of its own equity shares as consideration on the appointed date. The gain or loss on account of such acquisition at fair value i.e., the difference shall be credited to or adjusted in Other Equity.

Registered Office :

Plot No. 111, Road No.10, Jubilee Hills, Hyderabad - 500033, Telangana State, India. Phone : +91 40 23351571, 23351572
E-mail : info@sagarcements.in Website : www.sagarcements.in CIN : L26942TG1981PLC002887 GSTIN : 36AACCS8680H2ZY

Factories :

- 1) Mattampally Village & Mandal, Suryapet District, Telangana State - 508204. Phone : 08683 247039 GSTIN : 36AACCS8680H1ZZ
- 2) Bayyavaram Village, Kasimkota Mandal, Anakapally District, Andhra Pradesh State - 531031. Phone : 08924 244550
GSTIN : 37AACCS8680H1ZZ
- 3) Gudipadu Village, Yadiki Mandal, Ananthapur District, Andhra Pradesh State - 515408. Phone: 08558 200272 GSTIN : 37AACCS8680H1ZZ
- 4) Kalinganagar, Industrial Complex, Tahsil-Dangadi, Dist - Jajpur, Odisha State. Phone : 08340 882288 GSTIN : 21AACCS8680H1ZA





SAGAR CEMENTS LIMITED

e) Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.

f) The financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and impact of the same as on the Appointed Date will be quantified and adjusted in the reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

g) The difference, if any, between the amount recorded as share capital issued plus additional consideration in the form of cash or other assets and the amount of share capital of the transferor and other accounting impacts discussed above in the standalone financial statements shall be transferred to Capital reserve, if credit, and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes. In case the difference being a debit balance, it will be adjusted against Retained earnings (to the extent available in the standalone books of Transferee Company) and if there are no reserves or inadequate reserves, to an amalgamation deficit reserve, with disclosure of its nature and purpose in the notes to the standalone financial statements.

h) Any matter not dealt with hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS.

Certified true copy

Signed for identification purposes only

for and on behalf of Sagar Cements Limited

*for B S R and Co
Chartered Accountants*

Firm Registration No.: 128510W

AMIT KUMAR BAJAJ
BAJAJ

Digitally signed by
AMIT KUMAR BAJAJ
Date: 2026.06.05
18:28:31 +05'30'

Amit Kumar Bajaj
Partner

Membership No.: 218685

S. Sreekanth Reddy
Joint Managing Director

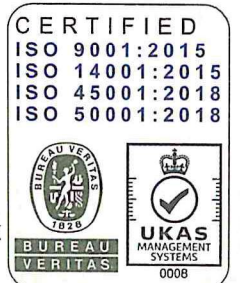
Place: Hyderabad
Date: 5 June 2026

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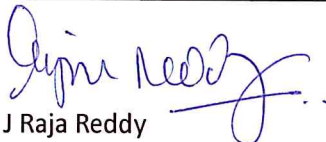




Compliance Report

It is hereby certified that the draft scheme of amalgamation involving Andhra Cements Limited and Sagar Cements Limited does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

SN	Reference	Particulars	Remarks
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements	Complied
2	Regulation 11 of LODR Regulations	Compliance with securities laws	Complied
Requirements of this circular			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Complied
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities	Not applicable, as the scheme of arrangement doesn't involve unlisted
I	Para (I)(A)(4) (a)	Submission of Valuation Report	Complied
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Complied
(e)	Para (I)(A)(10)	Provision of approval of public shareholders through e-voting	We undertake to comply with the requirements of Paragraph (A)(10) of Part-I of the SEBI


J Raja Reddy

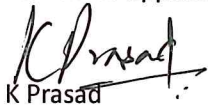
Company Secretary





Dr.S.Anand Reddy
Managing Director

Certified that the transactions/ accounting treatment provided in the draft scheme of arrangement involving Andhra Cements Limited and Sagar Cements Limited are in compliance with all the Accounting Standards applicable to a listed entity.


K Prasad

Chief Financial Officer





Dr.S.Anand Reddy
Managing Director

Date: 16.06.2026

Registered Office :

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SAGAR CEMENTS LIMITED

ANNEXURE 9

To,
Manager - Listing Compliance
National Stock Exchange of India Limited 'Exchange Plaza'. C-1, BlockG,
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Symbol: SAGCEM

To,
Head- Listing,
BSE Limited
P J Towers, Dalal Street, Mumbai, Maharashtra, India – 400001
Scrip Code: 502090

Dear Sir/Madam,

Subject: Undertaking regarding submission of No Objection Certificate from lending Scheduled Commercial Banks

We, Sagar Cements Limited (Transferee Company), hereby undertake and confirm that we have initiated the process of obtaining the No Objection Certificate from the lending scheduled commercial banks as required under Para A (2) (k) of Part I of SEBI Master Circular dated June 20, 2023 and we shall submit the same with the Exchanges before the receipt of the No-objection letter from stock exchanges in terms of Regulation 37(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Sagar Cements Limited

J.Raja Reddy
Company Secretary
M.No: A31113



Date: 16.06.2026

Registered Office :

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E-mail : info@sagarcements.in Website : www.sagarcements.in CIN : L26942TG1981PLC002887 GSTIN : 36AACCS8680H2ZY

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SAGAR CEMENTS LIMITED

ANNEXURE 10

To,
Manager - Listing Compliance
National Stock Exchange of India Limited 'Exchange Plaza'. C-1, BlockG,
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Symbol: SAGCEM

To,
Head- Listing,
BSE Limited
P J Towers, Dalal Street, Mumbai, Maharashtra, India – 400001
Scrip Code: 502090

Subject: Confirmation on past defaults of listed debt obligations

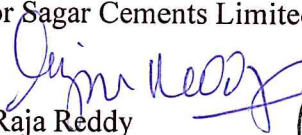
Reference: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme

Paragraph A(2)(j) of Part-I of the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the "SEBI Master Circular") requires to submit a declaration from the listed entity on any past defaults of listed debt obligations of the entities forming part of the scheme.

Thus, in terms of Paragraph A(2)(j) of Part-I of the SEBI Master Circular, we hereby declare that:

- The Transferee Company has not defaulted in respect of any listed debt obligations in the past. and
- The Transferee Company has not defaulted in respect of any listed debt obligations in the past.

For Sagar Cements Limited


J. Raja Reddy
Company Secretary
M.No: A31113



Date: 16.06.2026

Registered Office :

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SAGAR CEMENTS LIMITED

ANNEXURE 38

To,
Manager - Listing Compliance
National Stock Exchange of India Limited 'Exchange Plaza'. C-1, BlockG,
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Symbol: SAGCEM

To,
Head- Listing,
BSE Limited
P J Towers, Dalal Street, Mumbai, Maharashtra, India – 400001
Scrip Code: 502090

Subject: Complaint report as on date of sending NOC to SEBI for comments

Reference: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme

Interim Report on Complaints

This is with reference to the captioned application being filed by Sagar Cements Limited ("Company") with BSE Limited ("BSE").

Please find enclosed the Complaints Report for the period from June 05, 2026 (Board Meeting in which Scheme was approved) to June 16, 2026 (Filing of the Scheme with BSE) annexed with this.

As per Para(A)(6) of Part-I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the Company is inter-alia required to submit a "Report on Complaints" containing the details of complaints received by the Company on the draft Scheme from various sources, within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant Stock Exchange. Accordingly, we will submit the "Report on Complaints" in due course.

We request you to kindly take the above on record.

For Sagar Cements Limited

J. Raja Reddy

J.Raja Reddy
Company Secretary
M.No: A31113

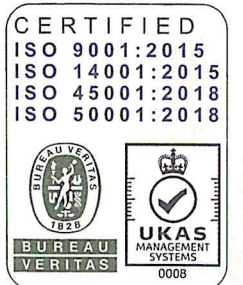


Registered Office: 16.06.2026

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SAGAR CEMENTS LIMITED

Annexure

Report on Complaints

[In respect of the Scheme of Amalgamation of Andhra Cements Limited (Transferor Company) with Sagar Cements Limited (Transferee Company) and their respective Shareholders & Creditors]

**Period of Compliant Report:
June 05, 2026 to June 16, 2026.**

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Not Applicable
4.	Number of complaints resolved	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)	Brief Details of the Complaint
				Not Applicable



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