INDEPENDENT AUDITOR'S REPORT

To
The Members of Star Cement Meghalaya Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Star Cement Meghalaya Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2026, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the Statement of changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information. (hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management and Board of Directors of the company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern and,

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (India Accounting Standards) Rules 2015 as amended;

(e) On the basis of the written representations received from the directors as on April 01, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to the financial statements;

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of the section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The impacts of pending litigations on the financial position of the Company have been disclosed in the financial statement as required in terms of the Ind AS and provisions of the Companies Act, 2013 - Refer Note No. 44 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no. 51, to the financial statement no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no. 51, to the financial statement no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under (a) and (b) above, contain any material misstatement.

v. The Company has not declared any dividend in the previous year which has been paid in the current year. Further, no dividend has been declared in the current year.

vi. Based on our examination which included test checks and in accordance with the requirements of Implementation Guide on Reporting on Audit Trail under Rule 11 (g) of the Companies (Audit and Auditors) Rule, 2014, we report that the Company has used various accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in all the software except audit trail feature was not enabled at database level. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years as per the statutory requirements for record retention.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 26059147KNKUPW4304

Place: Kolkata
Date: May 22, 2026

<u>ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT</u>

(Referred to in paragraph 1 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of Star Cement Meghalaya Limited for the year ended March 31, 2026)

We report that:

I.

a.

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of property, plant & equipment.

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

b. The Company has regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified in a phased manner over a reasonable period of time, which in our opinion, is at reasonable intervals having regard to the size of the company and nature its property, plant and equipment. In accordance with this programme, certain property, plant & equipment were physically verified during the year. No material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company except as detailed below: (Refer note 2.1(d) of the financial statements).

(Rs. In lakhs)

Description of property	Gross carrying value	Held in the name of	Whether held by promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	208.44	Miss. Sailyne Suja	Yes	Purchase during the FY 2023-24	The Title deed are in the process of transfer in the name of the company. However, necessary permission of transfer of land in the name of the company from the appropriate authority has already been obtained
Land, Factory bulding & Non factory Building	1899.36	Megha Technical and Engineers	No	Property acquired through amalgamation	Property acquired through Amalgamation/merger, name change in the name of the Company is in process.

		Private Limited		(refer note 17H of the Financial Statements)	
Land, Factory building & Non factory Building	4442.21	Meghalaya Power Limited	No		

d. The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

e. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

II.

b. The inventories have been physically verified by the management during the year. As the Company's inventory of raw materials, fuels and finished goods which comprises mostly of bulk materials such as Limestone, Clinker, Coal, etc. requiring technical expertise for quantification, the Company has hired an independent agency for the physical verification of the stock of these materials. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on physical verification of such inventories.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are not in agreement with the books of account of the Company as stated below (Refer note – 53 to the financial statements): -

Name of bank	**Quarter ended**	**Particulars**	**Amount as reported in the quarterly return/ statement**	**Amount as per books of account**	**Amount of difference**	**Reason or variance**
State Bank of India	March'26	Net Current Assets	32,185.04	34,186.84	(2,001.80)	As explained by the management, the differences are because the statements filed with the lenders are based on financial statements prepared on a provisional basis and also due to audit/ accounting adjustment entries carried out subsequently.
	December'25	Net Current Assets	36,498.48	38,877.38	(2,378.90)	
	September'25	Net Current Assets	30,860.16	33,169.14	(2,308.98)	
	June'25	Net Current Assets	46,202.07	37,486.48	8,715.59	

iii.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year apart from the details given below:

Particulars	**Loan given (Rs. In Lakh)**
Aggregate amount granted during the year	
- To Holding Company	22,720.00
- To Associate Companies	27,202.70
- To Others	-
Balance outstanding as at balance sheet date in respect of above	
- To Holding Company	22,815.14
- To Associate Companies	6,674.48
- To Others	-

b. During the year, the company has made investments in one of its Associate Company, Mutual Funds and in Bonds. In our opinion and according to the information and explanation given to us, the terms and conditions of the investments made and loan granted during the year are, prima facie, not prejudicial to the interest of the company.

c. According to the information and explanations given to us and based on the audit procedures conducted by us, in respect of loan given, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts have been regular as per the terms if loan granted.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted by the company that have fallen due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.

IV. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made and loans granted by the Company.

V. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

VI. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

VII. According to the information and explanations given to us and on the basis of our examination of the books of account,

a. The company is generally regular, in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Services tax, Duty of customs, Duty of excise, Value Added Tax, Cess and Other Statutory Dues applicable to it. In our opinion, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service tax, Duty of customs, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to sub clause (a) above which have not been deposited as on March 31, 2026 on account of any dispute are given below:

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)*	Period to which amount relates	Forum where the dispute is pending
MVAT Act (###) / Central Sales Tax Act	Sales Tax / VAT	2,076.53	June 2013 to June 2017	High Court, Meghalaya
The Central Excise Act,1944	Excise Duty	5.31	July 2013 - March 2014	Custom Excise & Service Tax Appellate Tribunal
MMDR ACT, 1957, (#) GST ACT, 2017 & VAT ACT	Royalty, MEPR (##), GST/VAT	9,151.21	FY 2014-15 to FY 2018-19	The National Green Tribunal Eastern Zone Bench, Kolkata
Meghalaya Electricity Duty Act	Electricity Duty	48.72	FY 2014-15 & FY 2018-19	Office of the Superintendent of Taxes, Government of Meghalaya
Income tax Act, 1961	Income Tax	1,712.89	AY 2017-18	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	757.14	AY 2018-19	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	1,051.61	AY 2021-22	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	2,596.72	AY 2022-23	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	1,725.55	AY 2023-24	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	198.59	AY 2024-25	National Faceless Appeal Centre (NFAC), New Delhi
CGST Act, 2017	Goods & Service Tax	20.96	July'17 - Jan'19	Directorate General of Goods & Services Tax Intelligence, Shillong Regional Unit.
SGST Act, 2017	Goods & Service Tax	0.73	FY 2018-19	Commissioner Appellate / Guwahati
MMDR ACT, 1957, (#) GST ACT, 2017 & VAT ACT	Royalty, MEPR (##), GST/VAT	12,346.64	FY 2014-15 to FY 2018-19	The National Green Tribunal Eastern Zone Bench, Kolkata
MMDR ACT, 1957 (#)	Royalty on Coal	113.01	June'12 – May'14	Divisional Mining Officer, West Jaintia Hills, Jowai
MMDR ACT, 1957 (#)	Royalty & Cess on Coal, Lime Stone, Clay	1,617.38	Dec'12 – May'24	Divisional Mining Officer, West Jaintia Hills, Jowai

CGST Act, 2017	GST on reverse charge mechanism	1,320.00	July'2017	Joint/Additional Commissioner of Central Goods & Service Tax, Central GST Commissionerate, Shillong

(#) MMDR: Mines And Minerals (Development And Regulation) Act, 1957
(##) Meghalaya Environment Protection & Restoration Fund
(###) Meghalaya Value Added Tax
(*) Net of deposit/ deposit under protest and to the extent quantified by relevant authorities

VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account in the tax assessments under the Income Tax Act, 1961 as income during the year.

IX.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. According to the information and explanations given to us and on the basis of the audit procedure, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or government authority.

c. According to the information and explanations given to us and on the basis of our audit procedures, the company has not raised any fund by way of term loan. Accordingly, the requirement to report on clause 3(ix)(c) of the order is not applicable to the company.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no funds raised on short-term basis have been used for Long- term purposes of the company.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates as defined under the act. The company does not have any subsidiary and joint venture.

f. According information and explanations given to us and on the basis of our examination of the records of the Company, we report that the Company has not raised loans during the year on the pledge of securities held in its Associates as defined under the act. The company does not have any subsidiary or joint venture.

X.

a. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company did not raise any money by way of initial public offer or further public offer including debt instruments during the year.

b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible or optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

XI.

a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under Section 143(12) of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause3(xii) of the Order is not applicable to the Company.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in Compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer note no. 47 to the financial statements of the company

XIV.

a. Based on the information and explanation provided to us and our audit procedure, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b. We have considered the internal audit reports of the Company issued till date for the period under audit.

XV. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

XVI.

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) & (b) of the Order is not applicable to the Company.

b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

c. Based on the information and explanations provided by the management of the Company, the Group does not have any CIC's, which are part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

XVII. The Company has not incurred any cash losses in the current year covered by our audit and in the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.

XIX. According to the information and explanations given to us and on the basis of the financial ratios (refer note – 50 in the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 26059147KNKUPW4304

Place: Kolkata
Date: May 22, 2026

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of Star Cement Meghalaya Limited for the year ended March 31, 2026)

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

We have audited the internal financial controls with reference to financial statements of **Star Cement Meghalaya Limited** ("the Company") as of 31st March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 26059147KNKUPW4304

Place: Kolkata
Date: May 22, 2026

Star Cement Meghalaya Limited
CIN: U63090ML2005PLC008011

Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210

Balance Sheet as at March 31, 2026

₹ in lakhs

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
A. Assets			
Non-Current Assets			
(a) Property, plant and equipment	2.1	48,418.94	52,545.35
(b) Capital work-in-progress	2.2	2,444.17	1,900.87
(c) Right-of-use assets	2.3	9.17	14.16
(d) Intangible assets	2.4	-	0.21
(e) Investment in associates	3	4,027.50	4,015.60
(f) Financial assets			
(i) Investments	4	23,120.45	35.10
(ii) Loans	5	29,489.62	43,486.94
(iii) Other financial assets	6	272.53	231.32
(g) Deferred tax assets (net)	7	6,189.39	7,909.06
(h) Non- current tax assests (net)	8	1,362.53	961.34
(i) Other non-current assets	9	980.10	822.51
Total non-current assets		**1,16,314.40**	**1,11,922.46**
Current Assets			
(a) Inventories	10	18,404.91	22,851.07
(b) Financial assets			
(i) Trade receivables	11	11,270.95	9,902.17
(ii) Cash and cash equivalents	12	61.36	231.48
(iii) Bank balances (other than (ii) above)	13	-	29.51
(iv) Loans	14	-	40.00
(v) Other financial assets	15	2,251.51	788.36
(c) Other current assets	16	7,489.23	5,597.25
Total current assets		**39,477.96**	**39,439.84**
Total assets		**1,55,792.36**	**1,51,362.30**
B. Equity and liabilities			
Equity			
(a) Equity share capital	17	3,806.92	3,806.92
(b) Other equity	18	1,43,390.23	1,36,685.98
Total Equity		**1,47,197.15**	**1,40,492.90**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liability	19	4.84	10.25
(b) Provisions	20	462.10	279.55
(c) Other non current liabilities	21	456.49	529.90
Total Non-Current Liabilities		**923.43**	**819.70**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	549.13	2,000.20
(ii) Lease liability	23	5.41	5.02
(iii) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		1,183.32	177.75
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,327.66	4,674.00
(iv) Other financial liabilities	25	736.17	749.86
(b) Other current liabilities	26	1,859.78	2,436.45
(c) Provisions	27	10.31	6.42
Total current liabilities		**7,671.78**	**10,049.70**
Total liabilities		**8,595.21**	**10,869.40**
Total equity and liabilities		**1,55,792.36**	**1,51,362.30**
Material accounting policies	1		

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

As per our report of even date.

For and on behalf of Board of Directors of Star Cement Meghalaya Limited

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

Ravi Bharati
Chief Financial Officer

Sajjan Bhajanka
Director
DIN:00246043

Gopal Jain
Partner
Membership No. 059147
Place : Kolkata
Date : May 22, 2026

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632

Star Cement Meghalaya Limited
CIN: U63090ML2005PLC008011
Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210

Statement of Profit and Loss for the Year ended March 31, 2026

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1) INCOME			
Revenue from operations	28	69,511.34	76,287.22
Other income	29	4,027.37	3,724.42
Total income		**73,538.71**	**80,011.64**
2) EXPENSES			
Cost of materials consumed	30	6,383.41	7,498.01
Puchase of stock in trade		253.75	175.74
Changes in inventories of finished goods and work- in- progress	31	(720.10)	(907.75)
Employee benefit expenses	32	5,885.97	5,429.77
Finance costs	33	96.69	353.66
Depreciation and amortisation expenses	34	6,162.74	6,772.35
Power and fuel	46B	23,881.60	28,861.97
Freight and forwarding expenses	35	13,491.80	11,253.36
Other expenses	36	7,420.64	8,091.87
Total expenses		**62,856.50**	**67,528.98**
3) Profit before exceptional items and tax (1-2)		**10,682.21**	**12,482.66**
4) Exceptional items	56	391.05	-
5) Profit before tax (3-4)		**10,291.16**	**12,482.66**
6) Tax expenses	37		
- Current tax		1,823.31	2,195.00
- Deferred tax		1,730.74	2,196.19
Total tax expenses		**3,554.05**	**4,391.19**
7) Profit for the year (5-6)		**6,737.11**	**8,091.47**
8) Other comprehensive income	38		
Items that will not be reclassified to profit or loss			
-Remeasurements of defined benefit plans		(19.34)	29.37
-Income tax related to above		4.87	(10.26)
-Equity instruments through Other Comprehensive Income		(24.58)	1.08
-Income tax related to above		6.19	(0.38)
Other comprehensive income for the year		**(32.86)**	**19.81**
9) Total comprehensive income for the year (7+8)		**6,704.25**	**8,111.28**
10) Earnings per equity share of ₹ 10 each	39		
Basic (₹)		**17.70**	**21.25**
Diluted (₹)		**17.70**	**21.25**
Material accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For and on behalf of Board of Directors of Star Cement Meghalaya Limited

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

Ravi Bharati
Chief Financial Officer

Sajjan Bhajanka
Director
DIN:00246043

Gopal Jain
Partner
Membership No. 059147
Place : Kolkata
Date : May 22, 2026

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632

Star Cement Meghalaya Limited

CIN: U63090ML2005PLC008011

Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210

Statement of Changes in Equity for the Year ended March 31, 2026

A. Equity share capital

₹ in lakhs

Particulars	Amount
As at April 1, 2024	**2,608.86**
Changes during the year (refer note 17h)	1,198.06
As at March 31, 2025	**3,806.92**
Changes during the year	-
As at March 31, 2026	**3,806.92**

B. Equity share suspense (refer note 17h)

₹ in lakhs

Particulars	Amount
As at April 1, 2024	**1,198.06**
Add: issue of shares consequent to amalgamation	(1,198.06)
As at March 31, 2025	-
Add: issue of shares consequent to amalgamation	-
As at March 31, 2026	-

C. Other equity

₹ in lakhs

Particulars	Reserve and surplus				Total
	Security Premium	Capital reserve on amalgamation (refer note 17h)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as at April 1, 2024	**20,038.06**	**3,256.64**	**1,05,249.15**	**30.85**	**1,28,574.70**
Profit for the year	-	-	8,091.47	-	8,091.47
Other comprehensive income (net of tax)	-	-	19.11	0.70	19.81
Total comprehensive income for the year	**-**	**-**	**8,110.58**	**0.70**	**8,111.28**
Balance as at March 31, 2025	**20,038.06**	**3,256.64**	**1,13,359.73**	**31.55**	**1,36,685.98**
Profit for the year	-	-	6,737.11	-	6,737.11
Other comprehensive income (net of tax)	-	-	(14.47)	(18.39)	(32.86)
Total comprehensive income for the year	**-**	**-**	**6,722.64**	**(18.39)**	**6,704.25**
Balance as at March 31, 2026	**20,038.06**	**3,256.64**	**1,20,082.37**	**13.16**	**1,43,390.23**

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

As per our report of even date

For and on behalf of Board of Directors of Star Cement Meghalaya Limited

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Ravi Bharati
Chief Financial Officer

Sajjan Bhajanka
Director
DIN:00246043

(Gopal Jain)
Partner
Membership No. : 059147
Place : Kolkata
Date : May 22, 2026

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632

Star Cement Meghalaya Limited

CIN: U63090ML2005PLC008011

Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210

Statement of Cash Flow for the year ended March 31, 2026

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A Cash flow from Operating Activities		
Profit before tax	10,682.21	12,482.66
Adjustments for :		
Depreciation and amortisation expenses	6,157.75	6,740.67
Amortisation of right-of-use assets	4.99	31.68
Provision for Obsolete Inventory	121.89	51.12
Excess Provision/unclaimed liabilities written back	(54.33)	(217.05)
(Profit)/ loss on sale of property, plant and equipment (net)	(170.30)	52.20
(Profit)/ loss on termination of lease contracts	-	(22.74)
Interest income	(3,727.47)	(3,287.39)
Finance costs	96.69	353.66
Gain on Sale of Investments	(19.80)	(1.80)
Allowance for doubtful advances to suppliers	40.87	3.02
Allowance for credit losses on trade receivables	1.02	-
Operating profit before working capital changes	**13,133.52**	**16,186.03**
Adjustments for :		
(Increase)/decrease in trade receivables	(1,369.80)	266.31
(Increase)/decrease in inventories	4,324.27	(2,862.98)
(Increase)/ decrease in financial and other assets	(1,547.56)	1,155.11
Increase/(decrease) in trade payables	(286.44)	(1,343.89)
Increase/(decrease) in other liabilities and provisions	(640.02)	(373.41)
Cash Generated from Operations	**13,613.97**	**13,027.18**
Income tax paid (Net of refunds)	(2,224.51)	(2,301.57)
Net cashflow from operating Activities	**11,389.46**	**10,725.61**
B Cash flow from Investing Activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and capital liabilities)	(3,437.96)	(7,142.58)
Proceeds from sale of property, plant and equipment and other intangible assets	597.63	50.59
Loan and advance given/(repaid back) (net)	14,037.32	(14,426.86)
Redemption/(Investments) in fixed deposits and margin money deposits (having original maturity for more than 3 months)	(0.93)	4,296.01
(Purchase)/ sale of investments (net)	(23,109.93)	-
(Purchase) / sale Investment in associates (net)	(11.90)	(9.80)
Interest received	1,914.34	3,368.21
Net cash from/(used in) investing activities	**(10,011.43)**	**(13,864.43)**
C Cash flow from Financing Activities		
Proceeds from /(repayment of) short term borrowings (net)	(1,451.07)	1,948.98
Interest and Finance charges paid	(91.08)	(334.85)
Payment of lease liabilities (including interest)	(6.00)	(41.66)
Net cash flow from/(used in) financing activities	**(1,548.15)**	**1,572.47**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(170.12)**	**(1,566.35)**
Cash and cash equivalents at the beginning of the year	231.48	1,797.83
Cash and cash equivalents at the end of the year	**61.36**	**231.48**

Notes :

1. The above statement of cash flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7).
2. For the purpose of statement of cash flow, cash and cash equivalents comprises the followings:

₹ in lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash on hand	4.38	10.34
Cheques on hand	0.27	32.56
Balance with banks	56.71	188.58
	61.36	231.48

3. Income tax paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company did not have any material impact on account of these changes in the Statement of Cash Flows, therefore such reconciliation has not been given.

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For and on behalf of Board of Directors of
Star Cement Meghalaya Limited

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Ravi Bharati
Chief Financial Officer

Sajjan Bhajanka
Director
DIN:00246043

(Gopal Jain)
Partner
Membership No. 059147
Place : Kolkata
Date : May 22, 2026

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632

Note 2.1- Property, plant and equipment

₹ In lakhs

Particulars	Freehold Land & Site Development	Mines Development	Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross carrying value										
As at April 1 ,2024	**6,702.58**	**464.70**	**16,558.54**	**68,213.83**	**135.49**	**30.17**	**127.34**	**9,141.17**	**378.26**	**1,01,752.08**
Additions during the year	179.34	74.48	572.30	577.39	32.75	9.26	16.93	5,154.26	60.25	6,676.96
Disposal/Deduction/Adjustment during the year	(5.27)	-	-	(210.02)	(3.86)	-	(3.87)	(266.17)	-	(489.19)
As at March 31, 2025	**6,876.65**	**539.18**	**17,130.84**	**68,581.20**	**164.38**	**39.43**	**140.40**	**14,029.26**	**438.51**	**1,07,939.85**
Additions during the year	416.34	-	254.60	1,716.72	46.37	44.12	2.34	39.31	26.46	2,546.26
Disposal/Deduction/Adjustment during the year	(41.77)	-	(269.23)	(350.77)	(82.48)	(35.32)	(74.73)	(792.50)	-	(1,646.80)
As at March 31, 2026	**7,251.22**	**539.18**	**17,116.21**	**69,947.15**	**128.27**	**48.23**	**68.01**	**13,276.07**	**464.97**	**1,08,839.31**
Accumulated Depreciation										
As at April 1 ,2024	-	**62.88**	**7,594.34**	**35,138.19**	**90.21**	**23.07**	**101.44**	**5,678.69**	**246.51**	**48,935.33**
Charge for the year	-	71.97	880.14	3,662.48	15.00	3.27	17.25	2,150.99	44.47	6,845.57
Disposal/Deduction/Adjustment during the year	-	-	-	(155.57)	(3.69)	-	(3.68)	(223.46)	-	(386.40)
As at March 31, 2025	-	**134.85**	**8,474.48**	**38,645.10**	**101.52**	**26.34**	**115.01**	**7,606.22**	**290.98**	**55,394.50**
Charge for the year	-	59.62	810.78	3,374.77	17.14	7.98	9.82	1,914.12	51.12	6,245.35
Disposal/Deduction/Adjustment during the year	-	-	(255.77)	(277.44)	(69.56)	(32.37)	(71.20)	(513.14)	-	(1,219.48)
As at March 31, 2026	-	**194.47**	**9,029.49**	**41,742.43**	**49.10**	**1.95**	**53.63**	**9,007.20**	**342.10**	**60,420.37**
Net Carrying Value										
As at March 31, 2025	**6,876.65**	**404.33**	**8,656.36**	**29,936.10**	**62.86**	**13.09**	**25.39**	**6,423.04**	**147.53**	**52,545.35**
As at March 31, 2026	**7,251.22**	**344.71**	**8,086.72**	**28,204.72**	**79.17**	**46.28**	**14.38**	**4,268.87**	**122.87**	**48,418.94**

Note 2.1 a) : There are no proceedings initiated for pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988 and rules made their under.

Note 2.1 b): The company has not revalued its property, plant & equipment and right of use assets during the current year and previous year.

Note 2.1 c): Capital and other commitments for acquisition of property, plant and equipments have been disclosed in note 44 (ii).

Note 2.1 d): Title deeds of all immovable properties are held in the name of the Company except for the following:

₹ In lakhs

SL No.	Relevant Line Item in the Balance Sheet	Description of item of property	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company	Gross carrying value as on March 31, 2026	Gross carrying value as on March 31, 2025
1	Property, Plant & Equipment	Freehold Land	Miss Sailyne Suja	Yes	Purchased in FY 2022-23	The Title deeds have been transfer durig the year.	-	115.34
2	Property, Plant & Equipment	Freehold Land	Miss Sailyne Suja	Yes	Purchase during the FY 23-24	The Title deeds are in the process of transfer in the name of the company. However , necessary permission of transfer of land in the name of the company from the appropirate authority has already been obtained.	208.44	1,140.91
3	Property, Plant & Equipment	Freehold Land, Factory bulding & Non factory Building	Megha Technical and Engineers Private Limited	No	Property acquired through amalgamation (refer note 17h)	Property acquired through Amalgamation/merger,name change in the name of the Company is pending.	1,899.36	1,899.36
4	Property, Plant & Equipment	Freehold Land, Factory bulding & Non factory Building	Meghalaya Power Limited	No	Property acquired through amalgamation (refer note 17h)	Property acquired through Amalgamation/merger,name change in the name of the Company is pending.	4,442.21	4,442.21

Note 2.2- Capital work-in-progress

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,900.87**	**1,389.52**
Add : expenditure Incurred during the year	2,673.22	7,042.39
Less : capitalised during the year	(2,129.92)	(6,531.04)
Balance at the end of the year	**2,444.17**	**1,900.87**

Ageing of Capital work-in-progress

₹ in lakhs

Particulars	Amount In Capital Work In Progress for a period of				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
At March 31, 2026					
Projects in progress	1,792.98	482.94	126.01	42.24	2,444.17
Projects temporarily suspended	-	-	-	-	-
At March 31, 2025					
Projects in progress	1,568.26	290.38	42.24	-	1,900.87
Projects temporarily suspended	-	-	-	-	-

Note 2.2 (a): There is no project whose cost has exceeded its budget or has overrun its completion time at each reporting date.

Note 2.2 (b): During the previous year, the Company has incurred directly attributable expenditure related to acquisition/ construction of Property, plant and equipment / Capital work-in-progress and therefore accounted for the same as pre-operative expenses under capital work-in-progress.

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year included in capital work-in-progress:	**117.65**	**2.45**
Add: Expenses incurred during the year		
Finance costs (refer note 33.1)	-	115.20
Less: Capitalised during the year	(117.65)	-
Balance at the end of the year included in capital work-in-progress	-	**117.65**

Note 2.3- Right-of-use assets

₹ in lakhs

Particulars	Non Factory Building	Leasehold Land	Total
Gross carrying value			
At April 1 ,2024	**321.27**	**24.94**	**346.21**
Additions during the year	-	-	-
Disposal during the year	321.27	-	321.27
At March 31, 2025	-	**24.94**	**24.94**
Additions during the year	-	-	-
Disposal during the year	-	-	-
At March 31, 2026	-	**24.94**	**24.94**
Accumulated Deprecation			
At April 1 ,2024	**109.14**	**5.80**	**114.94**
Charge for the year	26.69	4.99	31.68
Disposal during the year	135.84	-	135.84
At March 31, 2025	-	**10.79**	**10.78**
Charge for the year	-	4.99	4.99
Disposal during the year	-	-	-
At March 31, 2026	-	**15.78**	**15.77**
Net Carrying Value			
At March 31, 2025	-	**14.15**	**14.16**
At March 31, 2026	-	**9.17**	**9.17**

Star Cement Meghalaya Limited

CIN: U63090ML2005PLC008011

Notes to the Financial Statements for the Year ended March 31, 2026

Note 2.4- Intangible assets ₹ in lakhs

Particulars	Computer Software
Gross Carrying Value	
At April 1 ,2024	**13.93**
Addition during the year	-
Disposal during the year	-
At March 31, 2025	**13.93**
Addition during the year	-
Disposal during the year	6.97
At March 31, 2026	**6.96**
Accumulated Deprecation	
At April 1 ,2024	**13.20**
Charge for the year	0.53
Disposal/Deduction/Adjustment during the year	-
At March 31, 2025	**13.73**
Charge for the year	0.01
Disposal/Deduction/Adjustment during the year	6.78
At March 31, 2026	**6.96**
Net Carrying Value	
At March 31, 2025	**0.21**
At March 31, 2026	**-**

₹ in lakhs

Note 3- Investment in associates	**As at March 31, 2026**	**As at March 31, 2025**
Investment in equity shares at cost - unquoted shares		
Star Smart Bulding Solutions Limited (Formerly Star Cement (I) Limited)		
51,000 (17,000 as at March 31, 2025) equity shares of Rs 10/- each fully paid up	25.50	1.70
Nil (34,000 as on March'2025) , equity shares of Rs 10/- each, partly paid up Rs. 5/- each.	-	11.90
Star Cement North East Limited		
40,20,000 (40,20,000 as at March 31, 2025) equity shares of Rs 10/- each fully paid up	4,002.00	4,002.00
	4,027.50	**4,015.60**

Note 3.1: Refer note 47 for transactions with related party

3.2 Details of Associates in accordance with INDAS 112 "Disclousers of Interest in other entity"

Name of the Associates	**Country of Incorporation**	**Proportion of ownership interest/ voting right held by the Company**	
		As at March 31, 2026	**As at March 31, 2025**
Star Cement North East Limited	India	40%	40%
Star Smart Building Solutions Limited (Formerly Star Cement (I) Limited)	India	34%	34%

₹ in lakhs

Note 4- Investments	**As at March 31, 2026**	**As at March 31, 2025**
Investment at fair value through other comprehensive income (FVOCI)		
Investment in unquoted equity instruments		
Ribhoi Engineering Co. Pvt. Ltd. 27,000 (27,000 as at March 31, 2025) Equity Share of ₹10/- each fully paid up	10.52	35.10
	10.52	**35.10**
Investment measured at amortised cost		
Investment in bonds - quoted (fully paid up - face value ₹1 crore each)		
7.75% State Bank of India, Perpetual Bond, 50 units (31st March, 2025- Nil)	5,029.88	-
8.24% Canara Bank, Perpetual Bond, 25 units (31st March, 2025 - Nil)	2,523.81	-
8.57% Bank of India Series, Perpetual Bond, 15 units (31st March, 2025- Nil)	1,526.03	-
8.40% Canara Bank , Perpetual Bond, 45 units (31st March, 2025- Nil)	4,520.48	-
7.95% Bank of Baroda, Perpetual Bond, 25 units (31st March, 2025- Nil)	2,508.38	-
7.72% State Bank of India, Perpetual Bond, 70 units (31st March, 2025- Nil)	7,001.35	-
	23,109.93	**-**
	23,120.45	**35.10**
Aggregate market value of quoted investements	**23,694.17**	-
Aggregate carrying amount of quoted investements	**23,109.93**	-
Aggregate amount of unquoted investements	**10.52**	-
Aggregate amount of impairment in value of investements	-	-

₹ in lakhs

Note 5- Loans (at amortised cost - non-current)	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good unless otherwise stated.		
Loans to related parties (refer note 47)	29,489.62	43,486.94
	29,489.62	**43,486.94**

Note 5.1 : Disclosure of loans or advances to specified persons as per requirement of Schedule III of the Companies Act, 2013

₹ in lakhs

Type of Borrower	As at March 31, 2026		As at March 31, 2025	
	₹ in lakhs	%	₹ in lakhs	%
Related Parties	29,489.62	100%	43,486.94	100%
Others	-	-	-	-
Total	**29,489.62**	**100%**	**43,486.94**	**100%**

Note 5.2 : Disclosure of Loans and Advances given to holding company & associate Company as per Regulation 34(3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013. Also refer note 47.

₹ in lakhs

Type of Borrower	As at March 31, 2026			As at March 31, 2025		
	Loan outstanding ₹ in lakhs	Maximum balance outstanding during the year	Rate of interest	Loan outstanding ₹ in lakhs	Maximum balance outstanding during the year	Rate of interest
Loan to related parties:						
1) Star Cement North East Limited	528.90	15,983.90	7.82%	6,922.00	21,432.00	8.19%
2) Star Smart Building Solutions Limited	6,145.58	11,958.10	7.82%	10,169.80	10,332.40	7.78%
3) Star Cement Limited	22,815.14	30,485.14	7.82%	26,395.14	31,843.08	8.67%
	29,489.62	58,427.14		43,486.94	63,607.48	

Note 5.3 : There are no outstanding loans from any directors or other officers of the Company as on the each reporting date.

Note 5.4: The above Loans have been granted for general business purpose.

₹ in lakhs

Note 6- Other financial assets (at amortised cost - non-current)	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (unless otherwise mentioned)		
Security deposits	23.00	23.59
Deposits with banks due to mature after twelve months from the reporting date (refer note 6.1)	226.80	196.37
Interest accrued on above fixed deposits with banks due to mature after twelve months from the reporting date	22.73	11.36
	272.53	**231.32**

Note 6.1 : Fixed deposits with banks includes fixed deposits of ₹226.80 lakhs (March 31, 2025: ₹196.37 lakhs) which have been held as margin money with banks against bank gurantees taken by the company.

₹ in lakhs

Note 7- Deferred tax assets (net)	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets (A)		
On MAT credit entitlement	5,950.94	8,028.36
On temporary differences related to property, plant and equipment & intangible assets	109.00	-
On provision for employee benefits	101.28	77.07
Others	28.44	23.24
	6,189.66	**8,128.67**
Deferred Tax Liabilities (B)		
On temporary differences related to property, plant and equipment & intangible assets	-	219.23
Others	0.27	0.38
	0.27	**219.61**
Deferred Tax Assets (net) (A-B)	**6,189.39**	**7,909.06**

Note 7.1 : Movement in deferred tax assets

Particulars	Provision for employee benefits	Property, plant and equipment & intangible Assets	MAT credit entitlement	Others	Deferred Tax Assets (net)
As at March 31, 2024	**78.43**	**(311.16)**	**10,254.72**	**93.91**	**10,115.89**
(Charged)/credited:					
- to statement of profit and loss	8.90	91.94	(2,226.36)	(70.67)	(2,196.19)
- to other comprehensive income	(10.26)	0	-	(0.38)	(10.64)
As at March 31, 2025	**77.07**	**(219.22)**	**8,028.36**	**22.86**	**7,909.06**
(Charged)/credited:					
- to statement of profit and loss	19.34	328.22	(2,077.42)	(0.88)	(1,730.73)
- to other comprehensive income	4.87	-	-	6.19	11.06
As at March 31, 2026	**101.28**	**109.00**	**5,950.94**	**28.17**	**6,189.39**

Note 7.2 : The carrying amount of deferred tax assets are reviewed at each balance sheet date. Based on the management estimate regarding the future projection, the Company expects to have sufficient future taxable profits against which above deferred tax asset shall be realized.

Note 7.3 : The Company has evaluated the option under Section 115BAA (introduced by the Taxation Laws (Amendment) Ordinance, 2019) to pay tax at a concessional rate of 22% (plus surcharge and cess) and intends to transition from April 1, 2026. In line with Ind AS 12, deferred tax balances have been re-measured which has resulted in a charge of ₹ 93.29 lakhs in the financial statements for the current financial year. Furthermore, pursuant to the amendments introduced by the Finance Act, 2026, which permit the utilization of previously accumulated Minimum Alternate Tax (MAT) credit under the concessional tax regime, the Company has continued carrying the unutilised MAT credit balances as on March 31, 2026 on the basis of its projection of future taxable profits.

₹ in lakhs

Note 8- Non- current tax assests (net)	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (net)	1,362.53	961.34
	1,362.53	**961.34**

₹ in lakhs

Note 9- Other non-current assets	As at March 31, 2026	As at March 31, 2025
Unsecured considered good		
Capital advances	767.30	583.44
Deposit with statutory/government authorities	212.80	239.07
Other Advance	26.85	-
Less: Provision	(26.85)	-
	980.10	**822.51**

Note 9.1: Capital advances includes advance against land of ₹ 593.52 lakhs (March 31, 2025 - ₹428.11 lakhs). Refer note 47 for transactions with related party

₹ in lakhs

Note 10- Inventories	As at March 31, 2026	As at March 31, 2025
Raw materials	453.27	1,088.10
Work in Progress	54.32	47.40
Finished goods	2,714.13	2,000.95
Fuels	12,565.21	16,180.13
Stores & spares (Refer Note 10.1)	2,617.98	3,534.49
	18,404.91	**22,851.07**

Note 10.1 : The Company follows provisioning norms for writing down the value of inventories towards slow moving, non-moving and obsolete inventory. Provision for obsolescence of stores and spares as on March 31, 2026 is ₹ 213.07 lakhs (March 31, 2025 – ₹ 91.18 lakhs). There has been no reversal of such write down in current and previous year.

Note 10.2 : Finished goods includes power inventory with MePDCL of Nil (March 31, 2025: ₹ 154.03 lakhs)

₹ in lakhs

Note 11- Trade receivables	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good-secured	30.44	30.44
Trade receivables considered good-unsecured	11,240.51	9,871.73
Trade receivables which have significant increase in credit risk	86.66	85.64
Trade receivables -credit impaired	-	-
	11,357.61	9,987.81
Less: Allowance for credit losses on trade receivables	(86.66)	(85.64)
	11,270.95	**9,902.17**

Ageing of outstanding trade receivables as on March 31,2026 from due date of payment ₹ in lakhs

Particulars	Un-billed	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables								
- Considered Good	-	10,848.79	391.72	-	-	-	-	11,240.51
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
- Considered Good	-	-	-	-	-	-	30.44	30.44
- Significant increase in credit risk	-	-	-	-	1.02	-	85.64	86.66
- Credit Impaired	-	-	-	-	-	-	-	-
Total	**-**	**10,848.79**	**391.72**	**-**	**1.02**	**-**	**116.08**	**11,357.61**
Less: Allowance for credit losses on trade receivables	-	-	-	-	(1.02)	-	(85.64)	(86.66)
Total Trade Receivables	**-**	**10,848.79**	**391.72**	**-**	**(0.00)**	**-**	**30.44**	**11,270.95**

Ageing of outstanding trade receivables as on March 31, 2025 from due date of payment ₹ in lakhs

Particulars	Un-billed	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Receivables								
- Considered Good	2.49	9,818.13	50.07	1.04	-	-	-	9,871.73
- significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-	-	-
Disputed Receivables								
- Considered Good	-	-	-	-	-	-	30.44	30.44
- significant increase in credit risk	-	-	-	-	-	-	85.64	85.64
- Credit Impaired	-	-	-	-	-	-	-	-
	2.49	**9,818.13**	**50.07**	**1.04**	**-**	**-**	**116.08**	**9,987.81**
Less: Allowance for credit losses	-	-	-	-	-	-	(85.64)	(85.64)
Total Trade Receivables	**2.49**	**9,818.13**	**50.07**	**1.04**	**-**	**-**	**30.44**	**9,902.17**

Note 11.1 : Trade Receivable of ₹ Nil (March 31, 2025 – ₹ 49.93 lakhs) due from Directors .No other receivable due from other officers of the Company, either severally or jointly with any other person. Further no trade receivables are due from firms or private companies, respectively in which any director is a partner, a director or a member.

₹ in lakhs

Note 12- Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
Cash on hand	4.38	10.34
Cheques on hand	0.27	32.56
Balance with banks:		
- In current accounts/cash credit accounts	56.71	188.58
	61.36	231.48

Note 12.1 : There is no repatriation, restrictions with regard to cash and cash equivalents as at the end of each reporting years.

₹ in lakhs

Note 13- Other bank balances	As at March 31, 2026	As at March 31, 2025
Fixed deposits with banks with remaining maturity of less than 12 months (refer note 13.1)	-	29.51
	-	29.51

Note 13.1: Fixed Deposits with banks includes fixed deposits of Nil (March 31, 2025: ₹ 28.45 lakhs) which have been held as margin money with banks against bank guarantees taken by the company.

₹ in lakhs

Note 14- Loans (current)	As at March 31, 2026	As at March 31, 2025
Unsecured - Considered good (unless otherwise stated)		
Loans to body corporate (other than related parties)	-	40.00
	-	40.00

Note 14.1 : Disclosure of loans and advances section 186 of the Companies Act, 2013

₹ in lakhs

Type of Borrower	As at March 31, 2026			As at March 31, 2025		
	Loan outstanding (₹ in lakhs)	Maximum balance outstanding during the year	Rate of interest	Loan outstanding (₹ in lakhs)	Maximum balance outstanding during the year	Rate of interest
Loan to others:						
1) Goodview Agencies Pvt. Ltd.	-	40.00	10.00%	40.00	50.00	10.00%
	-	40.00		40.00	50.00	

Note 14.2 : There are no outstanding loans from any directors or other officers of the Company as on the each reporting date.

Note 14.3: The above Loans have been granted for general business purpose.

₹ in lakhs

Note 15- Other financial assets (at amortised cost - current)	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (unless otherwise mentioned)		
Security deposits	0.09	0.82
Interest accrued but not due on:		
- Fixed deposits	-	0.63
- Loans	1,218.66	449.03
- Bonds	1,032.76	-
Other Receivables (including Insurance claim receivable Nil (Rs. 336.08 lakhs on March,2025))	-	337.88
	2,251.51	788.36

₹ in lakhs

Note 16- Other current assets	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good (unless otherwise mentioned)		
Advances for supply of goods and services	7,090.45	5,135.84
Advances to employees	22.82	14.46
Balances with statutory/government authorities	46.42	89.21
Prepaid expenses	329.54	357.74
Unsecured, considered doubtful:		
Doubtful advances for supply of goods and services	27.05	13.03
Less: Allowance for doubtful advances	(27.05)	(13.03)
	7,489.23	5,597.25

₹ in lakhs

Note: 17 Equity share capital	As at March 31, 2026	As at March 31, 2025
Authorised Capital		
6,90,90,000 (6,90,90,000 as at March 31, 2025) equity shares of ₹10/- each fully paid	6,909.00	6,909.00
	6,909.00	**6,909.00**
Issued, Subscribed & fully Paid -up shares	3,806.92	3,806.92
3,80,69,223 (3,80,69,223 as at March 31, 2025) equity shares of ₹10/- each fully paid	**3,806.92**	**3,806.92**

a) Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at March 31, 2026	As at March 31, 2025
	No. of Shares	No. of Shares
At the beginning of the year	3,80,69,223.00	2,60,88,656.00
Add : Movement during the year (refer note no. 17h)	-	1,19,80,567
At the end of the year	**3,80,69,223.00**	**3,80,69,223.00**

c) Details of Shareholders holding more than 5% of equity share capital

Name of the Shareholders	As at March 31, 2026		As at March 31, 2025	
	No of shares	% of holding	No of shares	% of holding
Star Cement Limited*	3,80,69,223	100.00%	3,80,69,223	100.00%

* including six nominee shareholders

d) Details of shares held by the promoters at the end of the year ₹ In lakhs

Sr No	Promoter Name	As at March 31, 2026		As at March 31, 2025		% Change during the year
		No. of Shares	% of Shares	No. of Shares	% of Shares	
1	Star Cement Limited*	3,80,69,223	100.00%	3,80,69,223	100.00%	-

* including six nominee shareholders

Note:

(i) The above shareholding represents both legal and beneficial ownership based on the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest.

e) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the Balance Sheet date.

f) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

g) No calls are unpaid by any Director or Officer of the Company during the year

h) During the period of five years immediately preceding the reporting date:

- no shares were issued for consideration other than cash, except for 1,19,80,567 equity shares issued by virtue of amalgamation with Meghalaya Power Limited(MPL), Megha Technical & Engineers Private Limited(MTEPL) & NE Hills Hydro Private limited (NEHL) with the Company in previous year.
- no bonus shares were issued
- no shares were bought back

₹ in lakhs

Note 18- Other equity	As at March 31, 2026	As at March 31, 2025
Security Premium		
Opening Balance	20,038.06	20,038.06
Movement during the year	-	-
Closing Balance	**20,038.06**	**20,038.06**
Capital Reserve on amalgamation (refer note 17H)		
Opening Balance	3,256.64	3,256.64
Movement during the year	-	-
Closing Balance	**3,256.64**	**3,256.64**
Retained Earnings		
Opening balance	1,13,359.73	1,05,249.15
Profit for the year	6,737.11	8,091.47
Other comprehensive income:		
Remeasurement of defined benefit plan (net of tax)	(14.47)	19.11
Closing balance	**1,20,082.37**	**1,13,359.73**
Equity instruments through other comprehensive income		
Opening balance	31.55	30.85
Recognised during the year	(18.39)	0.70
Closing balance	**13.16**	**31.55**
Total other equity	**1,43,390.23**	**1,36,685.98**

Nature and purpose of reserves

Securities premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under section 52 of Companies Act, 2013.

Capital Reserve on amalagamtion:

The reserve has been created on account of amalagamation of Meghalaya Power Limited(MPL), Megha Technical & Engineers Private Limited(MTEPL) & NE Hills Hydro Private limited (NEHL) with the Company.

Retained Earnings

Retained earnings represents accumulated profit of the Company as on reporting date. Such profits are after adjustment of payment of dividend, transfer to any reserves and adjustment for remeasurement Gain/loss on defined benefit plan.

Other comprehensive income

The company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the Equity Instrumenst through Other Comprehensive Income. The company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

Equity instruments through other comprehensive income

Equity Instrument through other comphensive income represents the cumulative gains and losses, net of tax, arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

₹ in lakhs

Note 19- Lease liability	As at March 31, 2026	As at March 31, 2025
Lease liabilities- non current portion	4.84	10.25
	4.84	**10.25**

₹ in lakhs

Note 20- Provisions	As at March 31, 2026	As at March 31, 2025
Provisions for employee benefits		
-Gratuity (refer note 40)	154.38	137.91
-Leave encashment	89.80	76.24
'Provision of Gratuity for Contractor	147.88	-
Provision for site restoration (refer note 20.1)	70.04	65.40
	462.10	**279.55**

Note 20.1 : Provision for site restoration has been created based on present value of estimated future cash outflow of site restoration expenses .Movement of provisions for site restoration during the year is as under :

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	65.40	61.08
Add: provision during the year	-	-
Less: utilised during the year	-	-
Add: unwinding of discount on mines restoration provision	4.64	4.32
	70.04	**65.40**

₹ in lakhs

Note 21- Other non current liabilities	As at March 31, 2026	As at March 31, 2025
Deferred government grant (refer note 21.1)	456.49	529.90
	456.49	**529.90**

Note 21.1 : Government grants ₹ in lakhs

Movement of capital related government grants	Opening as at April 1, 2025 (Including current portion)	Recognised during the year ended March 31, 2026	Transfer to Statement of Profit and Loss	Closing as at March 31, 2026 (including current portion)
Financial assistance under Capital Investment subsidy clause towards the capital expenditure incurred on procuring & installing property, plant and equipment for manufacturing of power, clinker and cements specified under North-East Industrial and Investment Promotion Policy (NEIPP),2007. The assistance is capitalised as cost of property, plant and equipments with Corresponding credit to depreciation account has been transferred to sattement of profit and Loss propertionately based on useful lives of respective property, plant and equipments.	617.86	-	87.69	530.17

Note 21.2: There has been no unfulfilled conditions or any other contingencies with respect to above government grants.

₹ in lakhs

Note 22- Borrowings (at amortised cost -current)	**As at March 31, 2026**	**As at March 31, 2025**
Secured borrowings		
Working capital Facilities from banks - repayable on demand [refer note 22.1 and 22.2 below]		
- Cash credit	549.13	0.20
Unsecured borrowings		
- Working Capital Demand Loan (refer note 22.3)	-	2,000.00
	549.13	**2,000.20**

Note 22.1 : Working capital facilities of ₹549.13 lakhs (March 31,2025: ₹0.20 lakhs) from banks are secured by pari passu first charge on current assets of the Company.

Note 22.2 : The rate of interest for Cash Credit ranges between 8.75% to 10.05% (March 31, 2025 - 8.70% to 9.25%).

Note 22.3 : The rate of interest of Working Capital Demand Loan ranges between 6.25% to 7.50%. (March 31, 2025 - 7.19% to 8.39%)

₹ in lakhs

Note 23- Lease liability	**As at March 31, 2026**	**As at March 31, 2025**
Lease Liability- current portion	5.41	5.02
	5.41	**5.02**

₹ in lakhs

Note 24- Trade payables	**As at March 31, 2026**	**As at March 31, 2025**
Total outstanding dues of micro enterprises and small enterprises	1,183.32	177.75
Total outstanding dues of trade payable other than micro enterprises and small enterprises	3,327.66	4,674.00
	4,510.98	**4,851.75**

Ageing of outstanding trade payables as on March 31, 2026 from due date of payment ₹ in lakhs

Sr No	Particulars	Unbilled Due	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - micro and small enterprises	-	1,101.20	82.12	-	-	-	1,183.32
(ii)	Undisputed - others	266.27	1,184.39	73.15	0.73	-	-	1,524.54
(iii)	Disputed - micro and small enterprises	-	-	-	-	-	-	-
(iv)	Disputed dues - others	-	-	-	-	-	1,803.11	1,803.11
	Total	**266.27**	**2,285.60**	**155.27**	**0.73**	**-**	**1,803.11**	**4,510.98**

Ageing of outstanding trade payables as on March 31, 2025 from due date of payment ₹ in lakhs

Sr No	Particulars	Unbilled Due	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - micro and small enterprises	-	104.84	72.91	-	-	-	**177.75**
(ii)	Undisputed - others	250.79	2,169.18	392.98	23.40	33.31	1.24	**2,870.90**
(iii)	Disputed - micro and small enterprises	-	-	-	-	-	-	**-**
(iv)	Disputed dues - others	-	-	-	-	196.23	1,606.87	**1,803.10**
	Total	**250.79**	**2,274.02**	**465.89**	**23.40**	**229.54**	**1,608.11**	**4,851.75**

₹ in lakhs

Note 25- Other financial liabilities	**As at March 31, 2026**	**As at March 31, 2025**
Creditors for capital goods (including dues to MSME vendors Nil. March 31, 2025: 53.04)	7.49	172.14
Retention money	167.03	116.51
Security deposits	31.49	31.44
Employees related liabilities	460.80	363.73
Other liabilities	69.36	66.04
	736.17	**749.86**

Note 25.1: Other liabilities represents liability towards miscellaneous expenses

₹ in lakhs

Note 26- Other current liabilities	**As at March 31, 2026**	**As at March 31, 2025**
Statutory liabilities	1,550.52	2,319.90
Contract liabilities- Advance from customers (refer note 26.1)	235.58	28.59
Current portion of deferred government grant	73.68	87.96
	1,859.78	**2,436.45**

Note 26.1: Revenue of ₹ 28.59 lakhs (March 31,2025 :₹289.46 lakhs) is recognised during current financial year that was included in contract liabilities - advance from customers outstanding at the beginning of the year.

₹ in lakhs

Note 27- Provisions	**As at March 31, 2026**	**As at March 31, 2025**
Provisions for employee benefits		
-Leave encashment	10.31	6.42
	10.31	**6.42**

₹ in lakhs

Note 28- Revenue from operations	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of goods:		
-Cement	598.46	731.80
-Clinker	41,050.55	44,183.83
-Power	9,801.87	11,495.37
-Others	682.74	1,786.71
Sale of services:		
Fleet operating income	17,204.50	17,869.99
	69,338.12	**76,067.70**
Other Operating Income		
-Sale of scrap	173.22	219.52
	69,511.34	**76,287.22**

Note 28.1 : Primary business of the company is manufacturing and sale of cement and cement related product. All other activities of the company are related to its primary business. The product shelf life being short, all sales are made at a point in time and the revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery.

Note 28.2 : The company's primary customers are its holding company and fellow subsidiary companies. Refer note 47 for related party transactions.

Note 28.3 : The Companys primarily operates within the geographical areas of India (Note No.52).

Note 28.4 : Sale of other products includes sale of Lime stone, Flyash, coal and other miscellaneous store items.

Note 28.5 : Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹ in lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contarct price	69,338.12	76,067.70
Discount and incentives	-	-
Revenue as per statement of profit and loss	**69,338.12**	**76,067.70**

₹ in lakhs

Note 29- Other income	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income (using effective interest rate method)		
-On bank deposits	39.98	36.16
-On loans	3,151.41	3,251.23
-On bonds	536.08	-
Gain on sale of Investments in associate company	-	1.80
Gain on sale of investments	19.80	-
Liabilities/provisions no longer required written back	54.33	217.05
Gain on termination of lease contracts	-	22.74
Profit on Sale of Property, Plant & Equipment (refer note 29.1)	170.30	-
Miscellaneous income (refer note 29.2)	55.47	195.44
	4,027.37	**3,724.42**

Note 29.1: Profit on Sale of Property, Plant & Equipments includes Insurance claim received during the year amounting to ₹ 283.05 lakhs (March 31, 2025 : Nil) pertaining to discard of property plant and equipments

Note 29.2: Miscellaneous income includes Insurance claim received during the year amounting to Nil (March 31, 2025 : 103.14 lakhs)

₹ in lakhs

Note 30- Cost of materials consumed	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventory at the beginning of the year	1,088.10	1,356.63
Add: Purchases	5,748.58	7,229.48
	6,836.68	**8,586.11**
Less :Inventory at the end of the year	453.27	1,088.10
	6,383.41	**7,498.01**

Note 30.1: Refer note 46A

₹ in lakhs

Note 31- Changes in inventories of finished goods and work- in- progress	For the year ended March 31, 2026	For the year ended March 31, 2025
Work in process		
-Opening stock	47.40	54.04
-Closing stock	54.32	47.40
	(6.92)	6.64
Finished goods		
-Opening stock	2,000.95	1,086.56
-Closing stock	2,714.13	2,000.95
	(713.18)	(914.39)
Changes in inventories of finished goods and work- in- progress	**(720.10)**	**(907.75)**

₹ in lakhs

Note 32- Employee benefit expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries & wages	5,618.61	5,144.00
Contribution to provident fund and other funds	95.76	97.23
Employees welfare expenses	171.60	188.54
	5,885.97	**5,429.77**

Note 32.1 : Employee cost is inclusive of remuneration paid to directors and key management personnels (refer note 47)

₹ in lakhs

Note 33- Finance costs	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense		
- On borrowings (measured at amortised cost)	28.18	290.01
- On lease liabilities	0.97	14.49
- On unwinding of discount on site restoration provision	4.64	4.32
- Others	4.37	2.38
Other borrowing costs	58.53	42.46
	96.69	**353.66**

Note 33.1 :Interest Nil (March 31, 2025- ₹115.20 lakhs) is capitalised during the year as pre- operative expenses in capital work in progress. Refer note 2.2(b).

₹ in lakhs

Note 34- Depreciation and amortisation expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property,plant and equipment	6,157.74	6,740.14
Depreciation on right-of-use- assets	4.99	31.68
Amortisation of intangible assets	0.01	0.53
	6,162.74	**6,772.35**

Note 34.1 : Depreciation on property, plant and equipments is net off amortisation of Government Grant of ₹ 87.69lakhs (31st March 2025- ₹ 105.43 lakhs).

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Notes to the Financial Statements for the Year ended March 31, 2026

₹ in lakhs

Note 35- Freight and forwarding expenses:	For the year ended March 31, 2026	For the year ended March 31, 2025
Carriage Outward (including fleet operating expenses) (refer note 46B)	13,491.80	11,253.36
	13,491.80	**11,253.36**

₹ in lakhs

Note 36- Other expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores & spares (refer note 36.1)	2,585.18	2,928.22
Packing materials	-	9.37
Repairs & maintenance		
- Building	110.79	90.79
- Plant & machinery	974.46	1,058.00
- Others	132.59	315.58
Mining Operation Expenses	9.30	105.90
Heavy vehicle / equipment running expenses	500.69	384.47
Rent	2.26	3.44
Travelling and conveyance	18.59	58.72
Insurance	291.24	261.62
Bad Debt	-	2.62
Rates and taxes	115.04	621.43
Director's sitting fees and commission (refer note 47)	14.87	17.26
Charity and donation (refer note 36.2)	1,105.80	41.82
Allowance for credit losses on trade receivables & advance	41.89	-
Professional & consultancy fees(refer note 36.3)	364.30	224.38
Foreign currency exchange fluctuation (net)	-	4.30
CSR expenses (refer note 49)	616.56	825.21
Advertisement and publicity	0.08	18.40
Sales promotion expenses	0.11	3.32
Brokerage and commission	8.04	-
Loss on sale of Property plant and equipment	-	52.20
Miscellaneous expenses (refer note 36.4)	528.85	1,064.82
Total	**7,420.64**	**8,091.87**

Note 36.1: Includes provision for obsolensce of inventory amounting to ₹121.89 lakhs (March 31, 2025: ₹49.60 lakhs)

Note 36.2: Donation to political parties	For the year ended March 31, 2026	For the year ended March 31, 2025
Bhartiya Janta Party	900.00	-
	900.00	-

Note 36.3: Payment to Auditors

₹ in lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Statutory audit fees	12.00	12.00
Tax audit fees	5.00	4.75
Limited Review	8.00	8.00
Certification and other service	1.00	-
Reimbursement of expenses	1.78	0.37
	27.78	**25.12**

Note 36.4: (i) Does not include any item of expenditure with a value of more than 1% of Revenue from operations.
(ii) Includes expenses towards loading & unloading, security expenses and others.

Note: 37 Tax expense

₹ in lakhs

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
(a) Current tax		
Current tax on profits for the year	1,823.31	2,195.00
Total current tax expense	**1,823.31**	**2,195.00**
(b) Deferred tax		
Deferred tax	1,730.74	2,196.19
Total deferred income tax expense/(income)	1,730.74	2,196.19
(c) Tax in respect of earlier years	-	-
Tax expenses	**3,554.05**	**4,391.19**

37.1 Reconciliation of tax expense and the accounting profit multiplied by Corporate tax rate:

₹ in lakhs

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	10,291.16	12,482.66
Tax at the Corporate tax rate of 34.944%	**3,596.14**	**4,361.94**
Items not deductible under Income Tax Act, 1961	175.85	152.16
Tax on change in adopion of concessional rate specified under section 115BAA (refer Note 7.3)	93.29	-
Others	(311.24)	(122.91)
Tax expenses	**3,554.05**	**4,391.19**

Note 37.2 : The corporate tax rate used for the year 2025-26 and 2024-25 for above reconciliation is 34.944% (30%+ surcharge @12% + education cess @4%) payable on taxable profits under the Income Tax Act, 1961.

Note 37.3 : During the previous year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income tax Act, 1961). Accordingly, there are no transactions which are not recorded in the books of accounts.

Note: 38 Components of other comprehensive income

₹ in lakhs

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
Items that will not be reclassified to Statement of Profit and Loss:		
-Remeasurement of defined benefit plans	(19.34)	29.37
-Income tax related to above	4.87	(10.26)
- Fair value of equity instrument through other comprehensive income	(24.58)	1.08
-Income tax related to above	6.19	(0.38)
	(32.86)	**19.81**

Note: 39 Earnings per share

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
(i) Profit attributable to equity holders of the company used in calculating basic and diluted earning per share	6,737.11	8,091.47
(ii) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	3,80,69,223	3,80,69,223
(iii) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	3,80,69,223	3,80,69,223
(iv) Earning per share (in ₹):		
Face value of Equity shares	10.00	10.00
Basic	17.70	21.25
Diluted	17.70	21.25

Note: 40 Employees Benefits

Post-employment obligations

(A) Gratuity

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Code on Social Security, 2020. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date. The scheme is funded with the insurance company.

(i) The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**389.25**	**(259.40)**	**129.85**
Current service cost	28.21	-	28.21
Interest expense/(income)	25.70	(16.48)	9.22
Total amount recognised in profit or loss	**53.91**	**(16.48)**	**37.43**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(8.92)	(8.92)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	17.85	-	17.85
Actuarial (gain)/loss from unexpected experience	(38.30)	-	(38.30)
Total amount recognised in other comprehensive income	**(20.45)**	**(8.92)**	**(29.37)**
Employer contributions/ premium paid			-
Benefit paid	(54.62)	54.62	-
March 31, 2025	**368.09**	**(230.18)**	**137.91**

₹ in lakhs

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2025	**368.09**	**(230.18)**	**137.91**
Current service cost	32.61	-	32.61
Past Service Cost due to change in Labour Code (also refer note 56)	58.69	-	58.69
Interest expense/(income)	24.11	(18.29)	5.82
Total amount recognised in profit or loss	**115.41**	**(18.29)**	**97.12**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	-	9.79	9.79
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	17.49	-	17.49
Actuarial (gain)/loss from unexpected experience	(7.94)	-	(7.94)
Total amount recognised in other comprehensive Income	**9.55**	**9.79**	**19.34**
Employer contributions/ premium paid		(100.00)	(100.00)
Benefit paid	(6.82)	6.82	-
March 31, 2026	**486.23**	**(331.85)**	**154.38**

Net Liability/(Asset) recognised in the balance sheet

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of Defined Benefit Obligation	486.23	368.09
Fair Value of Plan Assets	(331.85)	(230.18)
Net Liability/(Asset) in the Balance Sheet	**154.38**	**137.91**
Current Liability /(Asset)	-	-
Non-Current Liability /(Asset)	154.38	137.91

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.29%	6.61%
Expected return on plan assets	7.29%	6.61%
Salary growth rate	7.00%	7.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table

(iii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: ₹ in lakhs

Particulars	Impact on defined benefit obligation			
	As at March 31, 2026		As at March 31, 2025	
	1% rate increase	1% rate decrease	1% rate increase	1% rate decrease
Discount rate	(38.42)	44.56	(33.39)	40.83
Salary growth rate	39.95	(35.42)	38.26	(32.73)
Withdrawal rate	1.05	(1.15)	(0.13)	2.01

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(iv) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

Major Categories of Plan Assets as a percentage of total plan assets	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Funds managed by Insurer	100%	100%

(v) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the life expectancy of the plan participants will increase the plan liability.

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending March 31, 2027 are ₹ 36.52 lakhs. (March 31, 2026 : ₹42.46 lakhs)

The weighted average duration of the defined benefit obligation is 5.09 years (March 31, 2025: 5.29 years).

The expected maturity analysis of undiscounted gratuity is as follows:

₹ in lakhs

Particulars	Less than a year	Between 2- 5 years	Over 5 years
March 31, 2026	37.76	86.99	115.68
March 31, 2025	22.52	69.59	99.39

(B) Defined Contribution Plan:

In respect of defined contribution plan, with respect to provident fund contribution and pension fund contribution, an amount of ₹ 89.52 lakhs (March 31, 2025: ₹ 90.96 lakhs) has been recognised as expenses in the statement of Profit and loss during the year.

Note : 41 - Capital management

Risk management

The primary objective of capital management is to ensure the healthy capital ratio of the Company in order to support its business and maximise shareholders value. The Company manages its capital structure according to changing economic conditions. No changes were made in the objectives, policies or processes during the year ended March 31, 2026 as compared to previous year. The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of capital management, equity includes paid up equity share capital and other equity, and debt comprises short term borrowings . The following table summarizes debt and equity of the Company.

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Long term Borrowings	-	-
Short-term Borrowings	549.13	2,000.20
Less: Cash and Cash equivalent	61.36	231.48
Less: Bank balances Other than Cash and Cash equivalent	-	29.51
Net Debt	**487.77**	**1,739.21**
Total Equity	1,47,197.15	1,40,492.90
Capital and net debt	**1,47,684.92**	**1,42,232.11**
Gearing ratio	0.33%	1.22%

To maintain or adjust the capital structure, the Company review the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

Note : 42 - Financial instruments by category

₹ in lakhs

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Amortised cost	Fair Value through Other comprehensive Income (FVOCI)	Carrying Amount	Amortised cost	Fair Value through Other comprehensive Income (FVOCI)	Carrying Amount
Financial assets						
(i) Investments	23,109.93	10.52	23,120.45	-	35.10	35.10
(ii) Loans	29,489.62	-	29,489.62	43,526.94	-	43,526.94
(iii) Trade receivables	11,270.95	-	11,270.95	9,902.17	-	9,902.17
(iv) Cash and cash equivalents	61.36	-	61.36	231.48	-	231.48
(v) Balance with banks (other than (iv) above)	-	-	-	29.51	-	29.51
(vi) Other financial assets	2,524.04	-	2,524.04	1,019.68	-	1,019.68
	66,455.90	**10.52**	**66,466.42**	**54,709.78**	**35.10**	**54,744.88**
Financial liabilities						
(i) Borrowings	549.13	-	549.13	2,000.20	-	2,000.20
(iii) Trade payables	4,510.98	-	4,510.98	4,851.75	-	4,851.75
(iv) Lease Liabilities	10.25	-	10.25	15.27	-	15.27
(v) Other financial liabilities	736.17	-	736.17	749.86	-	749.86
	5,806.53	**-**	**5,806.53**	**7,617.08**	**-**	**7,617.08**

(i) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: This level includes those financial instruments which are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-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.

(ii) Valuation technique used to determine fair value

The fair values of the financial assets and liabilities are included at the amount that would be received if the Company ,sold an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of cash and cash equivalents, trade receivables and payables, short-term loans, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values. In respect of non current loans, fair value is determined by using discount rates that reflect the present borrowing rate of the Company .

(b) Unquoted Investments (oher than Investment in Associate) in shares have been valued based on historical net asset value as per the latest audited financial statements after considering the impact of fair valuation of immovable properties which is based on valuation report from independent valuer.

(c) Investments traded in the active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Further, in case of bonds the net present value at current yield to maturity have been considered.

(iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

₹ in lakhs

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments (Unquoted)	-	-	10.52	-	-	35.10
Total financial assets	**-**	**-**	**10.52**	**-**	**-**	**35.10**

During the reporting period ending March 31, 2026 and March 31, 2025, there was no transfer between level 1 and level 3 fair value measurement.

The carrying amount of Cash and cash equivalents, Bank balances (other than cash and cash equivalents), loans and other financial assets, trade receivables, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(iv) Fair value of financial assets and liabilities measured at amortised cost

₹ in lakhs

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
(i) Investments	23,109.93	23,109.93	-	-
(ii) Loans	29,489.62	29,489.62	43,526.94	43,526.94
(iii) Trade receivables	11,270.95	11,270.95	9,902.17	9,902.17
(iv) Cash and cash equivalents	61.36	61.36	231.48	231.48
(v) Balance with banks (Other than (iv) above)	-	-	29.51	29.51
(vi) Other financial assets	2,524.04	2,524.04	1,019.68	1,019.68
	66,455.90	**66,455.90**	**54,709.78**	**54,709.78**
Financial liabilities				
(i) Borrowings	549.13	549.13	2,000.20	2,000.20
(ii) Trade payables	4,510.98	4,510.98	4,851.75	4,851.75
(iii) Lease Liabilities	10.25	10.25	15.27	15.27
(iv) Other financial liabilities	736.17	736.17	749.86	749.86
	5,806.53	**5,806.53**	**7,617.08**	**7,617.08**

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly ased on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions refer note 42(ii) and note 42(iii).

Note : 43 - Financial risk management

The Company's activities are exposed to a varieties of financial risks viz credit risk, liquidity risk and market risk i.e.foreign currency risk, interest rate risk and price risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily in trade receivables) and from its financing activities including deposits placed with banks and financial institutions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit as per the Company established policies, procedures and defined control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Primary revenue of the company are mainly related to holding company and fellow subsidiaries which is accounted for 90% or more of the Company's total sales. Therefore, the Company does not expect any material risk on account of non-performance by any of its customers.

For expected credit loss as at each reporting date, the Company assesses risk profile of the trade receivables and categorises risk profile viz trade receivables for which credit risk has not significantly increased from initial recognition, trade receivables for which credit risk has increased significantly but are not credit impaired and trade receivables for which credit risk has increased significantly and are credit impaired.

The Company adopted simplified approach model for computing credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. Accordingly, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The following table summarises the change in the loss allowances measured using simplified approach model :

₹ in lakhs

As at April 1, 2024	**100.84**
Provided during the year	-
Amount utilised	(15.20)
Reversal of Provision	-
As at March 31, 2025	**85.64**
Provided during the year	1.02
Amount utilised	-
Reversal during the year	-
As at March 31, 2026	**86.66**

ii) Financial instruments and deposits

Credit risk pertaining to balances with banks and financial institutions is managed by the Treasury department of the Company as per Company's policy. Surplus funds are parked only within approved investment categories with well defined limits. Investment category is periodically reviewed by the Company's Board of Directors.

Credit risk arising from short term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies. None of the financial instruments of the Company result in material concentration of credit risks.

Other financial assets mainly include loans & interest thereon, insurance claim receivable and security deposits given. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2026 and March 31, 2025 is the carrying amounts as given in note 42.

(B) Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities given below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Fund based facilities	4,450.87	4,999.80
Non-fund based facilities	5,835.00	2,839.06
	10,285.87	**7,838.86**

The bank overdraft facilities may be drawn (subject to available drawing power) at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian rupee (INR).

(ii) Maturities of financial liabilities

The Below tables show the analysis of financial liabilities based on their maturity and obligation of the Company in future time period. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in lakhs

Contractual maturities of financial liabilities - March 31, 2026	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings	549.13	-	-	549.13
Trade payables	4,510.98	-	-	4,510.98
Lease Liabilities	6.00	5.00	-	11.00
Other financial liabilities	736.17	-	-	736.17
Total financial liabilities	**5,802.28**	**5.00**	-	**5,807.28**

₹ in lakhs

Contractual maturities of financial liabilities - March 31, 2025	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings	2,000.20	-	-	2,000.20
Trade payables	4,851.75	-	-	4,851.75
Lease Liabilities	6.00	11.00	-	17.00
Other financial liabilities	749.86	-	-	749.86
Total financial liabilities	**7,607.81**	**11.00**	-	**7,618.81**

(C) Market risk

(i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company deals with international vendors with respect to stores and capital goods procurement, which rises exposure of the company to foreign exchange risk (primarily with respect to YEN). In view of low proportion of import, as compared to the overall operations, the exposure of the Company to foreign exchange risk is also not considered to be material. The risk is measured through a forecast of highly probable foreign currency cash flows.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:-

₹ in lakhs

Currency	Nature	As at March 31, 2026	As at March 31, 2025
YEN	Letter of Credit	-	167.98
Net exposure to foreign currency risk		-	167.98

Sensitivity

Profit or loss is sensitive to higher/lower change as a result of changes in foreign exchange fluctuation as below:

₹ in lakhs

Particulars	Impact on profit before tax	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Sensitivity		
Foreign exchange fluctuation – Strengthening of INR by 5% *	-	(8.40)
Foreign exchnage fluctuation – Weakening of INR by 5%*	-	8.40

** Holding all other variables constant*

(ii) 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 interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company debt obligations with floating interest rates.

The Company main interest rate risk arises from Short-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2026 and March 31, 2025 , the Company borrowings at variable rate were denominated in Indian Rupee (INR).

(a) Interest rate risk exposure on financial liabilities

The exposure of the Company financial liabilities to interest rate risk is as follows: **₹ in lakhs**

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	549.13	2,000.20
Total borrowings	**549.13**	**2,000.20**

(b) Sensitivity analysis of interest rate change

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below: **₹ in lakhs**

Particulars	Impact on profit before tax	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense rates – increase by 50 basis points	(2.75)	(10.00)
Interest expense rates – decrease by 50 basis points	2.75	10.00

** Interest rate sensitivity has been calculated assuming the borrowing outstanding at the reporting date have been outstanding for the entire period*

(iii) Price risk

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

The Company exposure to equity securities price risk arises from investments held by the Company in equity securities and classified in the Balance Sheet as at fair value through comprehensive income . The Company has investment in unquoted equity securities. Investment is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

Sensitivity

The table below summarizes the impact of increases/decreases of the investment in equity securities: **₹ in lakhs**

Particulars	Impact on total comprehensive income	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Increase by 5%*	(0.53)	(1.76)
Decrease by 5%*	0.53	1.76

** Holding all other variables constant*

(iv) Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations in coal prices which is dependent on various external factor that can affect the cost of production of the Company. Since the Fuel/Energy costs is one of the primary costs drivers, any adverse fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into coal linkage agreements for long-term Fuel Supply Agreement for coal, identifying new sources of supply etc. Additionally, processes and policies related to such risks are reviewed and controlled by senior management on regular basis.

Note : 44 - Contingent liability & commitments

i) Contingent Liability (to the extent not provided for)

₹ in lakhs

Sl. No	Particulars	As at March 31, 2026	As at March 31, 2025
	Claims against the Company not acknowledge as debts :		
1	Income tax demand	8,042.49	6,316.94
2	Excise duty demand {(amount deposited ₹6.86 lakhs (March 31, 2025 : ₹6.86 lakhs)}	12.17	12.17
3	Royalty & cess demand (Refer note 44 (a))	21,497.85	21,497.85
4	Royalty & cess demand (Refer note 44 (b))	1,730.39	2,765.48
5	Demand on Custom Duty (Refer note 44 (c))	-	403.82
6	Goods & service tax demand (also refer note 44(d)) {(amount deposited ₹4.09 lakhs (March 31, 2025 : ₹4.09 lakhs)}	1,341.73	1,417.79
7	VAT Demand (also refer note 44(e)) {(amount deposited ₹200 lakhs (March 31, 2025 : ₹ 200 lakhs)}	2,276.53	2,293.53
8	Others	78.62	78.62
		34,979.78	**34,786.20**

Note: Based on legal opinion / decisions in similar cases, the Company believes that the Company has a fair chance of favorable decisions in cases mentioned here-in-above and hence no provision is considered necessary.

ii) Commitments

₹ in lakhs

Sl. No	Particulars	As at March 31, 2026	As at March 31, 2025
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,190.24	1,070.97
2	Commitment towards equity contribution for partly paid up shares	-	11.90

(a) Earlier the Company had received a demand notice dated February 19, 2020 from the Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 21,497.85 lakhs in pursuance to the National Green Tribunal (NGT) order dated January 17, 2020 for alleged illegal coal procurement. By passing the said order NGT had accepted the recommendation of 5th Interim Report of the Independent Committee set up by NGT, which then suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.

The Company did not purchase any illegal coal and had complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee was based on the assumptions & views of the Committee and not on hard facts. Moreover, neither the Company has been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the interim reports by the Independent Committee to NGT. Further NGT did not serve any notice on the Company before passing the impugned order which is a clear violation of principles of natural justice.

In the earlier year on an appeal by the company, the Apex Court vide it's order dated May 2, 2023 restored the proceeding back to NGT, at the stage, as it stood prior to the passing of the judgement dated January 17, 2020. Subsequently the matter has been transferred to the NGT, Eastern Zone Bench, and the Company has filed necessary affidavits and the matter is subjudice. No provision has been considered necessary at this stage.

(b) As reported in the earlier year, the Company had received a revised demand notice from the Divisional Mining Officer (DMO), Directorate of Mineral Resources, Meghalaya, Jowai, towards alleged outstanding royalty and cess on coal, Limestone, shale and clay procured/consumed by the Company during certain periods between financial years 2012-13 and 2024-25 amounting to ₹ 3,533.50 lakhs (as on March 31, 2025 ₹ 4,568.59 lakhs (including penal interest of ₹ 428.11 lakhs (as on March 31, 2025: ₹ 428.11 lakhs). Against the said demand, the Company had recognised a provision of ₹1,803.11 lakhs (as on March 31, 2025: ₹1,803.11 lakhs) in earlier years as a matter of prudence.

The Company is of the view that, in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957, the liability to pay royalty in respect of minerals extracted from a mining lease area rests with the holder of the mining lease and not with the purchaser of such minerals. Accordingly, the Company believes that no liability arises in respect of minerals procured from third-party vendors.

Based on the above developments and legal advice obtained, the management believes that no additional liability exists in respect of the balance demand. Accordingly, no further provision has been considered necessary.

(c) During the earlier year, the Commissioner of Customs (Port)- Kolkata had issued a demand cum show cause notice (D&SCN) dated October 22, 2022, to the company for differential custom duty amounting to ₹ 403.82 lakhs & interest & penalties thereon (as applicable) for non-fulfilment of export obligations (EO) against import of Capital goods in the year 2009 to 2011 under four EPCG licenses as per Export Promotion Capital Goods (EPCG) scheme. In earlier years, on April 26, 2022, the Deputy Director, DRI, Shillong Regional Unit had also seized certain machineries of the company valuing ₹ 5,027.01 lakhs alleging non-fulfilment of EO as mentioned above but later allowed to continue the use of the seized machinery. However, the Company is pursuing the matter with Competent Authority for withdrawal/removal of the seizure order pertaining to imported machinery as the relevant demand was dropped

During the year, the above demand cum show cause notice (D&SCN) has been dropped by Office of the principal commissioner of Customs vide its order no. KOL/CUS/COMMISSIONER/PORT/ADJN/23/2026 dated 23.03.2026 and thereby no contingent liability is present in this regard.

(d) The Company had received a demand notice from the Directorate General of Goods and Services Tax Intelligence (DGGI), Shillong, regarding non-payment of GST under the Reverse Charge Mechanism (RCM) on royalty, District Mineral Foundation (DMF), National Mineral Exploration Trust (NMET) contribution and Mineral Cess amounting to ₹ 415.80 lakhs, and wrongful availment of Input Tax Credit (ITC) amounting to ₹ 244.20 lakhs during certain period July 2017. The demand also includes equal amount of applicable interest and penalties.
The Company had discharged GST under RCM amounting to ₹ 244.20 lakhs at the applicable rate of 5% prior to the issuance of the demand notice. However, the DGGI raised the demand by applying GST at the rate of 18%, relying on CBIC Circular No. 164/20/2021-GST dated October 6, 2021. The Company has contested the demand and submitted its detailed reply before the DGGI, inter alia, relying upon judicial precedents in similar matters decided in favour of taxpayers.
No further communication has been received from the DGGI subsequent to the submission of the reply, and the matter remains pending adjudication.
Based on legal advice obtained, the management believes that the demand is not sustainable and that the Company has a strong case on merits. Accordingly, no provision has been considered necessary in respect of the aforesaid matter.

(e) During the previous year, the Superintendent of Taxes, East Jaintia Hills District, Khliehriat had raised a demand of ₹ 1,885.67 lakhs and ₹ 390.86 lakhs towards Meghalaya Value Added Tax (MVAT)and Central sales tax (CST) respectively on its scrutiny of tax returns submitted by the Company under Section 39 of the Meghalaya Value Added Tax Act, 2003 & Section 9 of Central Sales Tax Act 1956 for the period from June 2007 to June 2017. The Company has disputed both the matters and filed the writ petition before the Hon'ble High Court of Meghalaya mainly on the ground that the above demand is time barred and not tenable under the applicable law. On hearing the matter, the court has passed an interim order that no coercive action shall be taken against the Company on depositing a sum of ₹ 200.00 lakhs within stipulated time. Based on the direction of the court, a sum of ₹ 200.00 lakhs has been deposited as a deposit and the matter is subjudice.

Based on the legal opinion received, the Company is of view that since the notices & assessment orders have been issued much after the period of limitation as prescribed under the provisions of CST Act & MVAT Act, the demand is not tenable and no provision is required at this stage.

Note 45: Leases

a. The Company has entered into lease agreements with different parties for taking land on lease and license basis for business operation. The lease term of different contracts varies in a range of 2 to 9 years and price is on fixed rental basis with escalation clauses in the lease agreements.

b. Lease liabilities are recognised at weighted average incremental borrowing rate of 7.52% . Set out below are the carrying amounts of lease liabilities included under financial liabilities and its movement during the year.

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	15.27	250.62
Additions	-	-
Deletions	-	(208.18)
Add: Interest recognised during the year	0.97	14.49
Less: Payments made	(6.00)	(41.66)
Closing balance	**10.24**	**15.27**
Non Current Lease Liability	**4.84**	**10.25**
Current Lease Liability	**5.41**	**5.02**

c. Amount recognized in Profit or Loss related to lease contracts ₹ in lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	0.97	14.49
Depreciation expense of right-of-use assets	4.99	31.68
Gain on cancellation of lease	-	22.74

d. Future payment of lease liabilities on an undiscounted basis ₹ in lakhs

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk {Refer Note 42(B)}. The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	6.00	6.00
One to two years	5.00	11.00
Two to five years	-	-
More than five years	-	-
Total undiscounted Lease Liabilities	**11.00**	**17.00**

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

Note 46 A: Cost of material consumed includes various expenses related to mining of lime stone & shale . The nature and segregation of such expenses are as follows:-

Sl. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	Consumption of stores & spares	255.49	483.06
(ii)	Heavy Vehicle / Equipment running expenses	1,484.07	912.92
(iii)	Rates & Taxes- Royalty	3,099.75	3,126.74
(iv)	Mining Operation Expenses	648.71	573.09
(v)	Miscellaneous Expenses	73.28	-
		5,561.30	**5,095.81**

Note 46 B: Following expenses related to fleet operations of the company are included in freight and forwarding expenses and power and fuel expenses :-

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Freight outward (including expenses related to fleet service)	Power and fuel	Freight outward (including expenses related to fleet service)	Power and fuel
Power and fuel (Diesel and Diesel Exhaust fuel)	6,670.39	528.14	7,003.27	931.59
Consumption of stores and spares	617.08	63.61	443.59	65.75
Repairs & Maintenance	520.68	53.67	411.68	61.02
Insurance	133.98	13.81	80.65	11.96
Rates and taxes	135.56	13.97	96.03	14.23
Fleet operation charges	2,636.46	347.58	2,404.43	477.59
Toll expenses	739.24	91.87	765.70	141.79
Miscellenous expenses	423.82	43.69	48.01	7.12
	11,877.21	**1,156.34**	**11,253.37**	**1,711.05**

Note 46 (c) : Previous year's numbers as disclosed below, have been regrouped/rearranged to conform the current year's classification:
During the current year, the fuel used in Heavy vehicle operations has been regrouped from Power & Fuel expenses to Other Expenses. These corresponding comparative figures have been regrouped/rearranged in the previous year and have no impact on the reported Equity and Total Comprehensive Income of the preceding financial year.

Note : 47 - Related party disclosures

A) List of related parties :

Names of the related parties	Nature of relationship
I.Names of the related parties where control exists	
Star Cement Limited (SCL)	Holding Company
Star Smart Business Solution Lmited (SSBSL) (formerly known as Star Cement (I) Limited)(SCIL))	Fellow Subsidiary/Associate Company
Star Cement North East Limited (SCNEL)	Fellow Subsidiary/Associate Company
Star Century Global Cement Private Limited (SCGCPL)	Fellow Subsidiary
RI PNAR Cement Pvt.Ltd	Fellow Subsidiary (wef from 05.09.2024)
KOPILI Cement (I) Pvt.Ltd.	Fellow Subsidiary (wef from 17.09.2024)
II. Other Related Parties	
a.Others related parties- With whom transactions have taken place during the current and/or previous year or has outstanding balance	
Lumshnong Village Local Area Charitable Trust Star Cement Charitable trust	Entities controlled/jointly controlled or significantly influenced by Key Managerial Personnel or close member of key managerial personnel
b. Key Management Personnel (KMP)	
Mr. Sajjan Bhajanka	Director
Mr. Sanjay Agarwal	Director
Mr. Prem Kumar Bhajanka	Director
Mr. Tushar Bhajanka	Director
Mr. Pankaj Kejriwal	Director
Mr. Rajendra Chamaria	Director (Till 27.01.2025)
Mr. Emlangkv Lamare	Whole Time Director
Mrs. Clara Suja	Non-Executive Director
Mr. Nirmalaya Bhattacharyya	Independent Director
Mr. Pramod Kumar Shah	Independent Director
Mr. Ravi Bharti	Chief Financial Officer (CFO)
Mr. Brij Mohan Jha	Company Secretary (CS)
III. Close family members of Key Management Personnel -With whom transactions have taken place during the current and/or previous year or has outstanding balance	
Rahul Chamaria (HUF)	HUF of Mr. Rahul Chamaria, Son of Mr. Rajendra Chamaria
Rajendra Udyog (HUF)	HUF of Mr. Rajendra Chamaria
Mrs. Renu Kejriwal	Wife of Mr.Pankaj Kejriwal
Miss Sallyne Suja	Daughter of Mrs. Clara Suja

B) Details of transactions between the Company and related parties :

₹ in lakhs

Nature of Transactions	Holding Company		Fellow Subsidiary/Associate company		KMP and their close family members , and entities controlled/jointly controlled or significantly influenced by KMP or close family member of KMP	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Purchase transactions						
SCL	328.36	1,629.22	-	-	-	-
SSBSL	-	-	0.21	-	-	-
Mrs. Clara Suja	-	-	-	-	105.86	-
2. Sale transactions						
SCL	15,142.52	28,990.99	-	-	-	-
SCNEL	-	-	32,690.45	29,243.37	-	-
SSBSL	-	-	0.48	-	-	-
3. Service rendered						
SCL	10,724.80	9,799.26	-	-	-	-
SCNEL	-	-	6,409.09	8,033.07	-	-
SSBSL	-	-	13.37	-	-	-
Mrs. Clara Suja	-	-	-	-	-	44.58
4. Services received						
SCL	6.00	6.00	-	-	-	-
Rahul Chamaria (HUF)	-	-	-	-	-	15.53
Rajendra Udyog (HUF)	-	-	-	-	-	18.21
Mrs. Renu Kejriwal	-	-	-	-	30.00	-
5. Loans given						
SCL	22,720.00	27,215.27	-	-	-	-
SCNEL	-	-	18,500.00	5,615.00	-	-
SSBSL	-	-	3,702.70	8,462.40	-	-
6. Loans received back						
SCL	26,300.00	6,438.22	-	-	-	-
SCNEL	-	-	24,893.10	19,935.00	-	-
SSBSL			7,726.91	207.60		
7. Purchase of Investment						
SSBSL	-	-	11.90	11.90	-	-
8. Purchase of Land						
Miss Sallyne Suja	-	-	-	-	138.51	65.25
9. Interest received						
SCL	1,996.01	1,601.30	-	-	-	-
SCNEL	-	-	561.26	1,118.77	-	-
SSBSL	-	-	591.24	524.20	-	-
10. Security Deposit received back						
Rahul Chamaria (HUF)	-	-	-	-	-	9.32
Rajendra Udyog (HUF)	-	-	-	-	-	10.93
11. Donation paid						
Lumshong Village Welfare Trust	-	-	-	-	192.77	40.00
Star Cement Charitable Trust	-	-	-	-	13.03	1.71
12.CSR expenses						
Lumshnong Village Welfare Trust	-	-	-	-	152.45	278.48
Star Cement Charitable Trust	-	-	-	-	157.41	288.23
13. Remuneration paid						
Mrs. Clara Suja	-	-	-	-	3.60	-
Mr. Emlangky Lamare	-	-	-	-	18.00	18.00
Mr. Ravi Bharati	-		-	-	19.84	19.29
Mr. Brij Mohan Jha	-	-	-	-	11.81	9.94
13.Commission/ Incentive paid :		-				
Mr. Emlangky Lamare	-	-	-	-	14.07	16.36
14.Sitting fees :		-				
Mrs. Clara Suja	-		-	-	0.05	0.05
Mr. Nirmalya Bhattacharyya	-	-	-	-	0.35	0.40
Mr. Pramod Kumar Shah	-		-	-	0.40	0.45

C) Balance Outstanding as at March 31, 2026 :

₹ in lakhs

Nature of Transactions	Holding Company		Fellow Subsidiary/Associate company		KMP and their close family members , and entities controlled/jointly controlled or significantly influenced by KMP or close family member of KMP	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Balance Outstanding						
(a) Loans (given):						
SCL	22,815.14	26,395.14	-	-	-	-
SCNEL	-	-	528.90	6,922.00	-	-
SSBSL	-	-	6,145.58	10,169.80	-	-
(b) Trade and other receivables						
SCL	9,921.72	5,133.04	-	-		
SCNEL	-	-	779.03	4,699.05	-	-
SSBSL	-	-	116.73	-	-	-
Mrs. Clara Suja	-	-	-	-	-	49.93
(c) Security deposit given						
Rahul Chamaria HUF	-	-	-	-	-	-
Rajendra Udyog (HUF)	-	-	-	-	-	-
(d) Investments						
SCNEL	-	-	4,002.00	4,002.00	-	-
SSBSL	-	-	25.50	13.60	-	-
(e). Capital Advance						
Mrs. Sallyne Suja	-	-	-	-	330.36	191.84
(f) Remuneration payable						
Mr. Emlangky Lamare	-	-	-	-	1.50	1.50
Mrs. Clara Suja	-	-	-	-	0.30	-
Mr. Ravi Bharati	-	-	-	-	1.03	-
Mr. Brij Mohan Jha	-	-	-	-	1.04	-
(g) Commission / Incentive payable						
Mr. Emlangky Lamare					1.87	1.43
(h). Interest receivable						
SCL	796.41	1.17	-	-	-	-
SCNEL	-	-	55.13	6.90	-	-
SSBSL	-	-	367.12	433.09	-	-

D) Key management personnel compensation

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits	53.25	47.24
Post-employment benefits (refer note below)	-	-
Long-term employee benefits	-	-
Total compensation	53.25	47.24

Note: Post-employment benefits and other long-term benefits related to KMPs is being disclosed based on actual payment made on retirement /resignation of services, but does not includes provision made on actuarial basis as the same is available for all employees together. Further, in view of applicability of such benefits only to CFO & CS of the Company, the amount of provision made on actuarial basis are not significant considering the nature of operation and size of the Company.

E) Terms and Conditions of transactions with Related Parties:

(i) The sale and purchase transactions with related parties (including transactions related to property, plant and equipment) are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

(ii) For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(iii) The remuneration of Directors is determined by the Nominations & Remuneration Committee having regard to the performance of individuals and market trends.

Note : 48 - Compliance on section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information/documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is as under:

₹ in lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	1183.32	230.79
(ii) Interest due on above	0.90	0.02
Total of (i) & (ii)	**1,184.22**	**230.81**
(i) Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act.	-	0.08
(ii) Amount paid to the suppliers beyond the respective appointed date.	300.61	120.06
(iii) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	4.37	-
(iv) Amount of interest accrued and remaining unpaid at the end of accounting year.	0.90	2.43
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act.	-	-

Above information has been determined to the extent such parties have been identified on the basis intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006

Note : 49 - Corporate social responsibility

₹ in lakhs

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(a)	Gross amount required to be spent by the company during the year	246.21	204.16
(b)	Carry forward amount from previous year (shortfall)/ Surplus	-	-
(c)	Amount spent during the year on :		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purpose other than above	616.56	825.21
(d)	Short fall during the year	-	-
(e)	Payment made	616.56	825.21
(f)	Yet to be paid	-	-
(g)	The nature of CSR activities undertaken by the Company	Making available Promoting Healthcare, Education, Sports upliftment, Animal Welfare, Rural development program, Flood/ Disaster Relief, Livelihood & skill building and Environment Sustainability	Making available Promoting Healthcare, Education, Sports upliftment, Animal Welfare, Rural development program, Flood/ Disaster Relief, Livelihood & skill building and Environment Sustainability
(h)	Related Party transactions as per Ind AS 24 in relation to CSR expenditure (refer note 49.1)	309.86	566.71

Note 49.1 : The Company has paid donations of ₹515.66 lakhs (March 31, 2025: ₹608.42 lakhs) to Lumshnong Village Local Area Charitable Trust & Star Charitable Trust, out of which ₹309.86 lakhs (March 31, 2025: ₹566.71 lakhs) is utilised for the purpose of CSR activities as per Companies Act, 2013

Note: 50 - Financial Ratios

Sl. No.	Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Explanation for variance exceeding 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	5.15	3.92	31.12%	Due to decrease in current liability during current
2	Debt- Equity Ratio (in times)	Total Debt (Long term + Short term borrowing)	Equity (Share Capital + Other equity)	0.00	0.01	-73.80%	Due to decrease of borrowings during the year
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt service	30.29	9.73	211.30%	Due to decrease of borrowings during the year
4	Return on Equity Ratio (%)	Net Profit	Average Shareholders equity (5)	4.68%	5.93%	-21.03%	
5	Inventory Turnover Ratio (in times)	Sales	Average Inventory (1)	3.36	3.55	-5.24%	
6	Trade Receivables Turnover Ratio (in times)	Sales	Average Trade receivable (2)	6.55	7.58	-13.59%	
7	Trade Payables Turnover Ratio (in times)	Purchases	Average Trade Payable (3)	1.64	1.90	-13.60%	
8	Net Capital Turnover Ratio (in times)	Sales	Working capital= Current Assets- Current Liabilities	2.18	2.59	-15.77%	
9	Net Profit Ratio (%)	Net Profit	Sales	9.72%	10.64%	-8.66%	
10	Return on Capital Employed (%)	Earning Before Interest & Tax (EBIT)	Capital Employed (4)	7.30%	9.01%	-19.01%	
11	Return on Investment (%)	Gain/(loss) on investment	Average Investment (6)	3.45%	0.06%	5469.47%	Due to investment in bonds during the year

(1) Average Inventory -: (Opening Inventory+Closing Inventory)/2
(2) Average Trade Receivable -: (Opening Trade Receivable+Closing Trade Receivable)/2
(3) Average Trade Payable -: (Opening Trade Payable+Closing Trade Payable)/2
(4) Capital Employed -: (Equity (incl. other equity-Intangible Assets- Intangible Assets under Development) + Current Borrowing + Non Current Borrowing
(5) Average Shareholders equity-: (Opening Equity (incl. other equity) +Closing Equity (incl. other equity))/2
(6) Average Investment -: (Opening Investment + Closing Investment)/2

Note 51 -: Other Statutory Information

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
ii) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
iii) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
iv) The Company has not entered into 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).
v) There is no transaction or closing balance with Struck off Company u/s 248 of the Companies Act during the year.
vi) The company has not been declared as wilful defaulter by any bank of financial institution or other lender.
vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
viii) The Borrowing obtained by the company from banks have been utilised for the purposes for which such loans were taken.

Note: 52 - Segment Information

(i)The principal business of the Company is of manufacturing and sale of Cement and Cement related products. The Chief Operating Decision Maker (CODM) of the company evaluates the company's performance and allocates resources based on analysis of the various performance indicators of the company as a single unit including its power generating units and fleet operations. CODM have concluded that there is only one operating reportable segment as defined by IND AS 108 "Operating Segments", i.e. Cement and Cement Related Products. Further the Company is a wholly owned subsidiary of the Star Cement Limited (SCL) whose principal business is also manufacturing and sale of Cement and Cement related products. The CODM of the SCL have also concluded that there is only one operating reportable segment as defined by IND AS 108 "Operating Segments", i.e. Cement and Cement Related Products at group level.

(ii) Geographical information

The entire revenue of the Company has been generated by way of domestic and export sales .

Geographical Location	As at March 31, 2026	As at March 31, 2025
India (Country of Domicile)	66,030.52	76,287.22
Outside India	3,480.82	-
Total	69,511.34	76,287.22

All the non-current assets (Property, plant and equipment, capital work-in-progress, intangible assets, right of use assets and other non-current assets) of the Company are within India.

Star Cement Meghalaya Limited
CIN: U63090ML2005PLC008011
Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210

Notes to the Financial Statements for the Year ended March 31, 2026

Note: 53 - Bank quarterly statements for working capital facilities

The Company has filed quarterly statements with the banks in compliance of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below:

(₹ in lakhs)

Name of the Bank	Quarter ended	Particulars	Amount disclosed as per quarterly return/statements	Amount as per books of account	Differences	Reason for variance
State Bank of India	March'26	Trade Receivable	11,363.56	11,270.95	92.61	The differences are because the statements filed with the lenders are based on financial statements prepared on a provisional basis and also due to audit/ accounting adjustment entries carried out subsequently along with certain debtors, inter-company(group) balances were not considered by the Banks
		Inventory	18,404.91	18,404.91	-	
		Trade Payable	2,416.57	4,510.98	(2,094.41)	
	December'25	Trade Receivable	11,422.94	11,295.16	127.78	
		Inventory	21,588.67	21,589.08	(0.41)	
		Trade Payable	3,486.87	5,993.14	(2,506.27)	
	September'25	Trade Receivable	4,461.98	4,492.20	(30.22)	
		Inventory	23,371.24	23,268.28	102.96	
		Trade Payable	3,026.94	5,408.66	(2,381.72)	
	June'25	Trade Receivable	20,401.85	9,121.18	11,280.67	
		Inventory	23,189.02	23,309.97	(120.95)	
		Trade Payable	2,611.20	5,055.33	(2,444.13)	
	March'25	Trade Receivable	9,876.07	9,902.17	(26.10)	
		Inventory	22,893.57	22,851.07	42.50	
		Trade Payable	2,817.31	4,851.75	(2,034.44)	
	December'24	Trade Receivable	3,516.81	3,517.18	(0.37)	
		Inventory	22,181.80	22,183.32	(1.52)	
		Trade Payable	2,418.88	5,065.58	(2,646.70)	
	September'24	Trade Receivable	7,015.19	7,546.46	(531.27)	
		Inventory	21,517.50	21,303.48	214.02	
		Trade Payable	3,296.59	4,962.22	(1,665.63)	
	June'24	Trade Receivable	4,352.78	12,490.60	(8,137.82)	
		Inventory	19,205.09	20,721.10	(1,516.01)	
		Trade Payable	1,235.19	5,177.96	(3,942.77)	

Note 54 : The Company has been using various accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions except Audit trail feature is not enabled at database level. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software were the audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirement for record retention to the extent it was enabled and recorded in those respective years.

Note 55 : In terms of Rule 6 of the Companies (Accounts) Rules 2014, consolidated financial statements are being prepared by the holding company. Accordingly no separate consolidated financial statements have been prepared by the company.

Note 56 : The Government of India notified the four Labour Codes (the 'New Labour Codes') effective November 21, 2025. Pursuant to such notification and subsequent FAQ's and clarification issued by Ministry of Labour and further examination of its employee's salary structure, the company has recognised the provision of Rs. 391.05 Lakhs and disclosed the same as an Exceptional Items for the current year. The Company has ascertained its estimated additional obligations under the New Labour Codes based on best estimates considering the information available at the balance sheet date. The company continues to monitor further notifications and clarifications relating the Labour codes and will account for the impact, if any accordingly.

Note 57: These financial statements have been approved by the Board of Directors of the Company on May 22, 2026 for issue to the shareholders of the Company for the adoption.

As per our report of even date

For and on behalf of Board of Directors of
Star Cement Meghalaya Limited

For Singhi & Co.
Chartered Accountants
Firm Registration No.:302049E

Ravi Bharati
Chief Financial Officer

Sajjan Bhajanka
Director
DIN:00246043

(Gopal Jain)
Partner
Membership No. 059147
Place : Kolkata
Date : May 22, 2026

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632