Singhi & Co.
Chartered Accountants

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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 2025, 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, 2025, 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.

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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,

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- 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 (Indian Accounting Standards) Rules 2015 as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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, 2025 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;

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(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. 52, 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. 52, 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, except for the database level changes as mentioned above, the Audit Trail has been preserved by the Company as per the Statutory requirement for record retention.

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

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYR3762

Place: Kolkata
Date: May 20, 2025

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

(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, 2025)

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(c) 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	115.34	Mrs. Sailyne Suja	Yes	Fresh Purchase during the FY 2022-23	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 appropriate authority has already been obtained.
Freehold Land	1140.91	Mrs. Sailyne Suja	Yes	Fresh 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 Private Limited	No	Property acquired through amalgamation (refer note 49 of the Financial Statements)	Property acquired through Amalgamation/merger, name change in the name of the Company is in process.
Land, Factory building & Non factory Building	4442.21	Meghalaya Power Limited	No		

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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 inventory, except goods-in-transit, has 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 respect to goods in transit, evidence of subsequent receipts has been verified and linked with the goods-in-transit. 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 – 54 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'25	Net Current Assets	35,586.94	37,604.99	(2,018.05)	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'24	Net Current Assets	28,117.50	30,766.08	(2,648.58)	
	September'24	Net Current Assets	31,829.28	33,812.16	(1,982.88)	
	June'24	Net Current Assets	24,793.07	38,389.66	(13,596.59)	

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:

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Particulars	Loan given (Rs. In Lakh)
Aggregate amount granted during the year	
- To Holding Company	27,215.27
- To Associate Companies	14,077.40
- To Others	-
Balance outstanding as at balance sheet date in respect of above	
- To Holding Company	26,395.14
- To Associate Companies	17,091.80
- To Others	40.00

b. During the year, the company has made investments in one of its Associate Company. In our opinion and according to the information and explanation given to us, the terms and conditions of the investment 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.

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 Services 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, 2025 on account of any dispute are given below:

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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	2076.53	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	9151.21	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
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	1712.89	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	1051.61	AY 2021-22	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act, 1961	Income Tax	2596.72	AY 2022-23	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 & Services Tax	20.96	July'17 - Jan'19	Directorate General of Goods & Services Tax Intelligence, Shillong Regional Unit.
Central Sales Tax Act, 1956	Sales Tax	16.99	FY 2015-16, 2016-17, 2017-18	Suptd. Of Taxes, Guwahati
SGST Act, 2017	Goods & Service Tax	0.73	FY 2018-19	Commissioner Appellate / Guwahati
Goods & Service Tax	Goods & Service Tax	71.98	FY 2019-20	Commissioner Appellate / Siliguri
MMDR ACT, 1957, (#) GST ACT, 2017 & VAT ACT	Royalty, MEPR (##), GST/VAT	12346.64	FY 2014-15 to FY 2018-19	The National Green Tribunal Eastern Zone Bench, Kolkata
MMDR ACT, 1957 (#)	Royalty & Cess on Coal, Lime Stone, Clay	2652.47	Dec'12 – May'24	Divisional Mining Officer, West Jaintia Hills, Jowai
CGST Act, 2017	GST on reverse charge mechanism	1320.00	July'2017	Joint/Additional Commissioner of Central Goods & Services Tax, Central GST Commissionerate, Shillong
The Customs Act, 1962	Custom Duty	403.82	FY 2022-23	Principal Commissioner of Customs (PORT), Kolkata

(#) 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

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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. Bases 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.

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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 – 51 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.

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

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYR3762

Place: Kolkata
Date: May 20, 2025

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, 2025)

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 2025 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.

SINGHI & CO. * Chartered Accountants *

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 2025, 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.

SINGHI & CO. ★ Chartered Accountants ★

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

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYR3762

Place: Kolkata
Date: May 20, 2025

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, 2025

₹ in lakhs

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
A. Assets			
Non-Current Assets			
(a) Property, plant and equipment	2.1	52,545.35	52,816.75
(b) Capital work-in-progress	2.2	1,900.87	1,389.52
(c) Right-of-use assets	2.3	14.16	231.27
(d) Intangible assets	2.4	0.21	0.73
(e) Investment in associates	3	4,015.60	4,004.00
(f) Financial assets			
(i) Investments	4	35.10	34.02
(ii) Loans	5	43,486.94	28,775.08
(ii) Other financial assets	6	231.32	70.01
(g) Deferred tax assets (net)	7	7,909.06	10,115.90
(h) Non- current tax assests (net)	8	961.34	954.94
(i) Other non-current assets	9	822.51	757.30
Total non-current assets		**1,11,922.46**	**99,149.52**
Current Assets			
(a) Inventories	10	22,851.07	20,039.21
(b) Financial assets			
(i) Trade receivables	11	9,902.17	10,168.48
(ii) Cash and cash equivalents	12	231.48	1,797.83
(iii) Bank balances (other than (ii) above)	13	29.51	4,478.39
(iv) Loans	14	40.00	325.00
(v) Other financial assets	15	788.36	631.81
(c) Other current assets	16	5,597.25	6,995.88
Total current assets		**39,439.84**	**44,436.60**
Total assets		**1,51,362.30**	**1,43,586.12**
B. Equity and liabilities			
Equity			
(a) Equity share capital	17A	3,806.92	2,608.86
(b) Equity share Suspense	17B	-	1,198.06
(c) Other equity	18	1,36,685.98	1,28,574.70
Total Equity		**1,40,492.90**	**1,32,381.62**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liability	19	10.25	213.64
(b) Provisions	20	279.55	246.75
(c) Other non current liabilities	21	529.90	617.58
Total Non-Current Liabilities		**819.70**	**1,077.97**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,000.20	51.22
(ii) Lease liability	23	5.02	36.98
(iii) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		177.75	183.90
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,674.00	6,228.79
(iv) Other financial liabilities	25	749.86	797.50
(b) Other current liabilities	26	2,436.45	2,689.18
(c) Provisions	27	6.42	38.79
(d) Current tax liabilities (net)	28	-	100.17
Total current liabilities		**10,049.70**	**10,126.53**
Total liabilities		**10,869.40**	**11,204.50**
Total equity and liabilities		**1,51,362.30**	**1,43,586.12**
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

SINGHI & CO. Chartered Accountants

Gopal Jain
Partner
Membership No. 059147
Place : Kolkata
Date : May 20, 2025

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, 2025

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
1) INCOME			
Revenue from operations	29	76,287.22	1,01,492.74
Other income	30	3,724.42	2,231.24
Total Income		**80,011.64**	**1,03,723.98**
2) EXPENSES			
Cost of materials consumed	31	7,498.01	9,665.93
Purchase of stock in trade		175.74	411.81
Changes in inventories of finished goods and work- in- progress	32	(907.75)	434.13
Employee benefit expenses	33	5,429.77	5,844.41
Finance costs	34	353.66	219.21
Depreciation and amortisation expenses	35	6,772.35	6,205.80
Power and fuel	46B	27,497.92	38,289.71
Freight and forwarding expenses	36	11,253.36	24,665.84
Other expenses	37	9,455.92	6,926.54
Total expenses		**67,528.98**	**92,663.38**
3) Profit before exceptional items and tax (1-2)		**12,482.66**	**11,060.60**
4) Exceptional items		-	-
5) Profit before tax (3-4)		**12,482.66**	**11,060.60**
6) Tax expenses	38		
- Current tax		2,195.00	1,937.79
- Deferred tax		2,196.19	442.46
- Income tax for earlier years		-	(12.15)
Total tax expenses		**4,391.19**	**2,368.10**
7) Profit for the year (5-6)		**8,091.47**	**8,692.50**
8) Other comprehensive Income	39A		
Items that will not be reclassified to profit or loss			
-Remeasurements of defined benefit plans		29.37	(9.43)
-Income tax related to above		(10.26)	3.30
-Equity instruments through Other Comprehensive Income		1.08	1.35
-Income tax related to above		(0.38)	(0.47)
Other comprehensive Income for the year		**19.81**	**(5.25)**
9) Total comprehensive Income for the year (7+8)		**8,111.28**	**8,687.25**
10) Earnings per equity share of ₹ 10 each	39B		
Basic (₹)		**21.25**	**22.83**
Diluted (₹)		**21.25**	**22.83**
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

Gopal Jain
Partner
Membership No. 059147
Place : Kolkata
Date : May 20, 2025

SINGHI & CO. Chartered Accountants

Ravi Bharati
Chief Financial Officer

Brij Mohan Jha
Company Secretary

Sajjan Bhajanka
Director
DIN:00246043

Tushar Bhajanka
Director
DIN:09179632

Star Cement Meghalaya Limited
CIN: U63090ML2005PLC008011
Regd. Office: Lumshnong, P.O. Khaliehrait, Distt. East Jaintia Hills, Meghalaya

Statement of Changes in Equity for the year ended March 31, 2025

A. Equity share capital ₹ in lakhs

Particulars	Amount
As at April 1, 2023	**2,608.86**
Changes during the year	-
As at March 31, 2024	**2,608.86**
Changes during the year (refer note 49)	1,198.06
As at March 31, 2025	**3,806.92**

Note :- During the year the company has issued 1,19,80,567 no. of shares for consideration other than cash, by virtue of amalgamation as stated in note 49.

B. Equity share suspense ₹ in lakhs

Particulars	Amount
As at April 1, 2023	**1,198.06**
Add: issued during the year	-
As at March 31, 2024	**1,198.06**
Add: issued during the year (refer note 49)	(1,198.06)
As at March 31, 2025	-

C. Other equity ₹ in lakhs

Particulars	Reserve and surplus			Other Comprehensive Income	Total
	Security Premium	Capital reserve on amalgamation (refer note 49)	Retained Earnings	Equity instrument through Other Comprehensive Income	
Balance as at April 1, 2023	**20,038.06**	**3,256.64**	**96,562.78**	**29.97**	**1,19,887.45**
Profit for the year	-	-	8,692.50	-	8,692.50
Other comprehensive income (net of tax)	-	-	(6.13)	0.88	(5.25)
Total comprehensive income for the year	-	-	**8,686.37**	**0.88**	**8,687.25**
Balance as at March 31, 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**

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 20, 2025

SINGHI & CO. Chartered Accountants

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632

Star Cement Meghalaya Limited
CIN: U63090ML2005PLC008011
Regd. Office: Lumshnong, P.O. Khaliehrait, Distt. East Jaintia Hills, Meghalaya

Statement of Cash Flow for the year ended March, 2025

₹ in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A Cash flow from operating activities		
Profit before tax	12,482.66	11,060.60
Adjustments for :		
Depreciation and amortisation expenses	6,740.67	6,162.91
Amortisation of right-of-use assets	31.68	42.89
Provision for Obsolete Inventory	51.12	28.30
Excess Provision/unclaimed liabilities written back	(217.05)	(160.32)
(Profit)/ loss on sale of property, plant and equipment (net)	52.20	46.96
(Profit)/ loss on termination of lease contracts	(22.74)	-
Interest Income	(3,287.39)	(1,979.17)
Finance costs	353.66	219.21
Gain on Sale of Investment in Associates	(1.80)	-
Allowance for doubtful advances to creditors	3.02	
Allowance for credit losses on trade receivables/advances (net)	-	11.35
Operating profit before working capital changes	**16,186.03**	**15,432.73**
Adjustments for :		
(Increase)/decrease in trade receivables	266.31	(3,825.26)
(Increase)/decrease in inventories	(2,862.98)	735.78
(Increase)/ decrease in financial and other assets	1,155.11	2,665.52
Increase/(decrease) in trade payables	(1,343.89)	(579.63)
Increase/(decrease) in other liabilities and provisions	(373.41)	60.09
Cash Generated from Operations	**13,027.18**	**14,489.23**
Income tax paid (Net of refunds)	(2,301.57)	(1,865.94)
Net cashflow from operating Activities	**10,725.61**	**12,623.29**
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)	(7,142.58)	(2,776.76)
Proceeds from sale of property, plant and equipment and other intangible assets	50.59	30.73
Loan and advance given/(repaid back) (net)	(14,426.86)	(26,137.00)
Redemption/(Investments) in fixed deposits and margin money deposits (having original maturity for more than 3 months)	4,296.01	9,831.97
(Purchase)/ sale of investments (net)	-	10,331.92
(Purchase) / sale investment in associates (net)	(9.80)	(3,200.00)
Interest received	3,368.21	2,727.28
Net cash used in investing activities	**(13,864.43)**	**(9,191.84)**
C Cash low from financing activities		
Proceeds from /(repayment of) short term borrowings (net)	1,948.98	(1,711.89)
Interest and Finance charges paid	(334.85)	(195.33)
Payment of lease liabilities (including interest)	(41.66)	(56.40)
Net cash flow from financing activities	**1,572.47**	**(1,963.62)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(1,566.35)**	**1,467.83**
Cash and cash equivalents at the beginning of the year	1,797.83	330.00
Cash and cash equivalents at the end of the year	**231.48**	**1,797.83**

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, 2025	For the year ended March 31, 2024
Cash on hand	10.34	8.50
Cheques on hand	32.56	133.47
Balance with banks	188.58	1,655.86
	231.48	**1,797.83**

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

(Gopal Jain)
Partner
Membership No. 059147
Place : Kolkata
Date : May 20, 2025

SINGHI & CO. Chartered Accountants

Ravi Bharati
Chief Financial Officer

Brij Mohan Jha
Company Secretary

Sajjan Bhajanka
Director
DIN:00246043

Tushar Bhajanka
Director
DIN:09179632

Note 1: Corporate Information and Material Accounting Policies

A. Corporate Information

Star Cement Meghalaya Limited ("the Company") is a public limited company domiciled in India and incorporated on December 22, 2005 as per the provisions of the Companies Act. The Company is engaged in the manufacturing and selling of cement clinker, cement and power along with services of domestic transportation of goods. The manufacturing units are located at Lumshnong, Meghalaya. The Company is selling its product across northeastern and eastern states of India.

B. Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

These standalone Financial Statements were approved for issue in accordance with the resolution of the Board of Directors on May 20, 2025.

C. New Accounting Pronouncements

(i) Adoption of New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 117 - Insurance Contracts and Ind As 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

D. Material Accounting Policies

(i) Basis of Preparation & Presentation

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

(a) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Net defined benefit asset/liability which is measured at Fair value of plan assets less present value of defined benefit obligations
- Investment in equity shares, other than investment in subsidiaries is measured at fair value.
- Certain financial assets and financial liabilities that are measured at fair value / amortized cost.

(b) Current and non-current classification

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is expected to realize the asset within twelve months after the reporting period; or
(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

STAR CEMENT MEGHALAYA LIMITED KOLKATA

SINGHI & CO. Chartered Accountants

All other assets are classified as non-current.

Similarly, a liability is classified as current if:
- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as noncurrent only.

(c) Rounding off amounts
- (i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.
- (ii) Figures have been rounded off in decimals to the nearest Rs in lakhs, unless otherwise stated. All amounts disclosed in the financial statements and notes have been rounded off in decimals to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(ii) Use of Estimates

The preparation of financial statements is in conformity with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarized below:

a) Classification of legal matters and tax litigation

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

b) Defined benefit obligations

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long- term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

STAR CEMENT MEGHALAYA LIMITED KOLKATA

SINGHI & CO. Chartered Accountants

c) Useful life of property, plant and equipment

The determination of depreciation and amortization charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Leases (Ind AS 116)

The Company has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised.
Where the implicit rate in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

e) Fair Value Measurement of Financial Instruments

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

f) Physical verification of Inventory

Bulk inventory for the Company primarily comprises coal, fly ash and clinker which are primarily used during the production process at the manufacturing locations. Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc. which involve estimates / judgments.

g) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

(iii) <u>Foreign Currency Transactions and Balances</u>

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency'). The Company's standalone financial statements are presented in Indian Rupees which is the Company's functional currency.

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transactions. Exchange differences arising on settlement /restatement of short–term foreign currency monetary assets and liabilities of the company are recognized as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iv) <u>Property, plant and equipment</u>

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any recoverable amount, wherever applicable) less accumulated depreciation, amortization and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use.

STAR CEMENT MEGHALAYA LIMITED KOLKATA

SINGHI & CO. Chartered Accountants

Subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Capital Work in Progress

Capital work in progress is carried at cost and includes any directly attributable cost incurred during construction period.

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition/ construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets"

Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing costs, prior to commencement of commercial \ Production/completion of project are capitalized.

Depreciation

Depreciation on Property, plant and equipment is provided on Written Down Value (WDV) method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C' thereof or as reassessed by the company based on technical evaluation except in case of following:

Mines development expenses incurred on free hold mining land are depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves. Depreciation is provided on components that have homogenous useful lives. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Depreciation method, useful life and residual values are reviewed at each financial year end and adjusted if appropriate. Estimated useful lives so determined are as follows:

Assets	**Useful Lives**
Buildings and roads	3 - 60 years
Plant and machinery	2 - 40 years
Furniture and office equipment	3 - 10 years
Tools and tackles	2 -10 years
Vehicles	2 - 15 years
Computer	3 - 6 years

Derecognition of property plant and equipment

An item of Property, Plant and Equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss when the asset is derecognized.

(v) **Intangible Asset**

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the assets can be measured reliably.

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Amortization of intangible assets

The amortization amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure is written off over a period of three years.

Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(vi) Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

(vii) Lease-

As a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

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

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are

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recognized as an income in the statement of profit and loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

(viii) Government Grants and Subsidies

Government grants and subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants in the nature of recoupment/ reimbursement of any particular item of expenses are recognized in the Statement of Profit and Loss as deduction from related item of expenditure. Grants related to assets which are recognized in the Balance Sheet as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

(ix) Inventories

Raw materials, stores and spare parts, fuel and packing material:

Raw materials, stores and spares and fuel and packing material are valued at lower of cost and net realisable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not available. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average basis.

Work-in-progress, finished goods and stock in trade:

Work-in-progress, finished goods and stock in trade are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Cost of Stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on weighted average basis.

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

(x) Investment in Subsidiaries and associates

The Company's investments in its subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries or the loss of significant influence over associates, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

a) Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its debt instruments into the following categories:

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- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset.

(xi) Trade receivables

Trade receivables that do not contain any significant financing component are recognized initially at transaction price. Upon initial recognition of a receivable from a contract with a customer, any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognised shall be presented as an expense. Subsequently, the trade receivables are measured at cost less expected credit losses. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. The Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The loss allowance is measured at an amount equal to lifetime expected credit losses.

(xii) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and demand deposits with banks and other short-term highly liquid investments/deposits that are readily convertible into cash which are subject to insignificant risk of changes in value with an original maturity of three months or less.

(xiii) Financial liabilities

Initial recognition and measurement

The Company recognizes all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

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Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(xiv) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(xv) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

(xvi) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(xvii) Business Combination and Goodwill

The company applies the acquisition method in accounting for business combinations. The consideration transferred by the company to obtain control of a business is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the company, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the combination date, allocated to each of the company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Business Combination Common control business combination where the Company is transferee, is accounted for using the pooling of interest method. Assets and liabilities of the combining entities are reflected at their carrying amounts and

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no new asset or liability is recognised other than those adjustments that are made to harmonise accounting policies. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company's financial statements in which they appeared in the financial statement of the transferor company. The excess between the amounts of consideration paid over the share capital of the transferor company is recognised and disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if the business combination date is after that date, the financial information in the financial statements is restated from the date of business combination.

(xviii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(xix) Revenue Recognition

(A) Sale of Goods

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in sales contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Transaction price is the amount of consideration in the contract to which the Company expects to be entitled in exchange for transferring the promised goods or services.

The Company does not expect to have any contracts where the period between transfer of promised goods or services to the customer and payment by customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(B) Sale of Services

Revenue from contracts with customers is recognized when the performance of service is completed for the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services. Revenue from goods transportation services is recognized at the point in time when performance of service is completed for the customer, generally when goods and documents are delivered.

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(C) Sale of Power

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Revenue from contracts with customers is recognized on supply of power to the customers at an amount that reflects the consideration to which the company is entitled as per the contract executed with respective customers and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of power.

Sale of power is billed monthly with specified due dates and accounted for at rates agreed with respective customers.

Contract balances
Trade Receivables and Contract Assets

A trade receivable is recognized when the products are delivered to a customer and consideration becomes unconditional. Contract assets are recognized when the company has a right to receive consideration that is conditional other than the passage of time.

Contract Liabilities

Contract liabilities is a Company's obligation to transfer goods or services to a customer which the entity has already received consideration. Contract liabilities are recognized as revenue when the company performs under the contract.

(B) Other Income

Interest income is recognized using the effective interest rate (EIR) method.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when right to receive dividend is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(xx) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Defined Contribution Plan

Employees benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

(iii) Defined Benefit Plan

Retirement benefits in the form of gratuity are considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the Balance Sheet date

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and transferred to retained earnings.

(iv) Other Long-term benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the Balance Sheet date. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, in the statement of Profit or Loss.

(xxi) <u>Tax Expenses</u>

Tax expense comprises current tax and deferred tax. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is computed on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax is not accounted for if it arises from initial

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recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred taxes are recognised in the statement of profit and loss, except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case, the taxes are recognised in other comprehensive income or directly in equity, respectively.

The deferred tax in respect of temporary differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(xxii) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

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(xxiii) Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

(xxiv) Mines Restoration provisions

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The costs are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

(xxv) Segment reporting

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

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Note 2.1- Property, plant and equipment

₹ In lakhs

Particulars	Land & Site Development	Mines Development	Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross carrying value										
As at April 1 ,2023	**5,220.26**	**449.98**	**13,935.02**	**52,630.28**	**125.95**	**29.36**	**117.64**	**9,705.24**	**352.72**	**82,566.46**
Additions during the year	1,485.32	14.72	2,629.67	15,682.30	9.54	0.81	9.71	9.56	25.54	19,867.17
Disposal during the year	(3.00)	-	(6.15)	(98.75)	-	-	(0.01)	(573.63)	-	(681.54)
As at March 31, 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 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**
Accumulated Depreciation										
As at April 1 ,2023	-	9.04	6,845.67	31,356.12	76.87	20.67	83.87	4,649.36	202.30	**43,243.90**
Charge for the year	-	53.84	754.81	3,849.89	13.34	2.40	17.57	1,559.22	44.21	6,295.28
Disposal during the year	-	-	(6.14)	(67.82)	-	-	-	(529.89)	-	(603.85)
As at March 31, 2024	-	**62.88**	**7,594.34**	**35,138.19**	**90.21**	**23.07**	**101.44**	**5,678.69**	**246.51**	**48,936.33**
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 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**	**116.01**	**7,606.22**	**290.98**	**55,394.50**
Net Carrying Value										
As at March 31, 2024	**6,702.58**	**401.82**	**8,964.20**	**33,075.64**	**45.28**	**7.10**	**25.90**	**3,462.48**	**131.75**	**52,816.75**
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**

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, right of use assets and intangible assets during the year.

Note 2.1 c) Title deeds of all immovable properties are held in the name of the Company except in case of 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, 2025	Gross carrying value as on March 31, 2024
1	Property, Plant & Equipment	Free Hold Land	Miss Sailyne Suja	Yes	Purchased in FY 22-23	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.	115.34	149.39
2	Property, Plant & Equipment	Free Hold Land	Miss Sailyne Suja	Yes	Purchased in FY 23-24	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.	1,140.91	1,485.32
3	Property, Plant & Equipment	Land, Factory building & Non factory Building	Megha Technical and Engineers Private Limited	No	Property acquired through amalgamation (refer note 49)	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	Land, Factory building & Non factory Building	Meghalaya Power Limited	No	Property acquired through amalgamation (refer note 49)	Property acquired through Amalgamation/merger, name change in the name of the Company is pending.	4,442.21	4,442.21

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Note 2.2- Capital work-in-progress

₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1,389.52	17,566.44
Add : expenditure incurred during the year	7,042.39	1,953.93
Less : capitalised during the year	(6,531.04)	(18,025.11)
Less : transfer to stores inventory/ others	-	(105.74)
Balance at the end of the year	**1,900.87**	**1,389.52**

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, 2025					
Projects in progress	1,568.26	290.38	42.23	-	1,900.87
Projects temporarily suspended	-	-	-	-	-
At March 31, 2024					
Projects in progress	1,041.02	192.88	0.24	155.38	1,389.52
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 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, 2025	As at March 31, 2024
Balance at the beginning of the year included in capital work-in-progress:	2.45	865.83
Add: Expenses incurred during the year		
Power and fuel	-	75.61
Employee benefit expenses	-	3.78
Depreciation and amortisation expenses	-	5.41
Heavy vehicle/equipment running expenses	-	2.11
Finance costs (refer note 34.1)	115.20	8.38
Consumption of stores & spares	-	0.45
Miscellaneous expenses (refer note below)	-	36.49
Less: Capitalised during the year	-	(995.61)
Balance at the end of the year included in capital work-in-progress	**117.65**	**2.45**

Note: Miscellaneous expenses includes insurance, professional consultancy etc.

Note 2.3- Right-of-use assets

₹ in lakhs

Particulars	Non Factory Building	Leasehold Land	Total
Gross carrying value			
At April 1 ,2023	**310.05**	**24.94**	**334.99**
Additions during the year	11.74	-	**11.74**
Disposal during the year	0.52	-	**0.52**
At March 31, 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**
Accumulated Deprecation			
At April 1 ,2023	**71.70**	**0.86**	**72.56**
Charge for the year	37.95	4.94	**42.89**
Disposal during the year	0.51	-	**0.51**
At March 31, 2024	**109.14**	**5.80**	**114.94**
Charge for the year	26.69	4.99	**31.68**
Disposal during the year	135.83	-	**135.83**
At March 31, 2025	-	**10.79**	**10.79**
Net Carrying Value			
At March 31, 2024	**212.13**	**19.14**	**231.27**
At March 31, 2025	-	**14.16**	**14.16**

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Note 2.4- Intangible assets

₹ in lakhs

Particulars	Intangible Assets
Gross Carrying Value	
At April 1 ,2023	**13.93**
Addition during the year	-
Disposal during the year	-
At March 31, 2024	**13.93**
Addition during the year	-
Disposal during the year	-
At March 31, 2025	**13.93**
Accumulated Deprecation	
At April 1 ,2023	**12.00**
Charge for the year	1.20
Disposal during the year	-
At March 31, 2024	**13.20**
Charge for the year	0.53
Disposal during the year	-
At March 31, 2025	**13.73**
Net Carrying Value	
At March 31, 2024	**0.73**
At March 31, 2025	**0.21**

₹ in lakhs

Note 3- Investment in associates	**As at March 31, 2025**	**As at March 31, 2024**
Investment in equity shares at cost - unquoted shares		
Star Smart Building Solutions Limited (Formerly Star Cement (I) Limited)		
17,000 (20,000 as at March 31, 2024) equity shares of Rs 10/- each fully paid up	1.70	2.00
34,000 (Nil as at March 31, 2024) 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, 2024) equity shares of Rs 10/- each fully paid up	4,002.00	4,002.00
	4,015.60	**4,004.00**

Note 3.1: Refer note 47 for transactions with related party

Note 3.2: Details of Associates in accordance with INDAS 112 "Disclosures 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, 2025	**As at March 31, 2024**
Star Cement North East Limited	India	40%	40%
Star Smart Building Solutions Limited (Formerly Star Cement (I) Limited)	India	34%	40%

₹ in lakhs

Note 4- Investments	**As at March 31, 2025**	**As at March 31, 2024**
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, 2024) Equity Share of ₹10/- each fully paid up	35.10	34.02
	35.10	**34.02**

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₹ in lakhs

Note 5- Loans (non-current)	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated.		
Loans to related parties (refer note 47)	43,486.94	28,775.08
	43,486.94	**28,775.08**

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, 2025		As at March 31, 2024	
	₹ in lakhs	%	₹ in lakhs	%
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Parties	43,486.94	100%	28,775.08	100%
Others	-	-	-	-
Total	**43,486.94**	**100%**	**28,775.08**	**100%**

Note 5.2 : Disclosure of Loans and Advances given to holding company & fellow Subsidiary 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, 2025			As at March 31, 2024		
	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	6,922.00	21,432.00	8.19%	21,242.00	21,387.00	8.00%
2) Star Smart Building Solutions Limited	10,169.80	10,332.40	7.78%	1,915.00	1,915.00	7.66%
3) Star Cement Limited	26,395.14	31,843.08	8.67%	5,618.08	5,903.08	8.49%
	43,486.94	63,607.48		28,775.08	29,205.08	

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 (non-current)	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (unless otherwise mentioned)		
Security deposits	23.59	24.97
Deposits with banks due to mature after twelve months from the reporting date (refer note 6.1)	196.37	43.50
Interest accrued on above fixed deposits with banks due to mature after twelve months from the reporting date	11.36	1.54
	231.32	**70.01**

Note 6.1 : Fixed deposits with banks includes fixed deposits of ₹196.37 lakhs (March 31, 2024: ₹43.50 lakhs) which have been held as margin money with banks against bank guarantees taken by the company.

₹ in lakhs

Note 7- Deferred tax assets (net)	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets (A)		
On MAT credit entitlement	8,028.36	10,254.72
On provision for employee benefits	77.07	78.43
Others	23.24	93.91
	8,128.67	**10,427.06**
Deferred Tax Liabilities (B)		
On temporary differences related to property, plant and equipment & intangible assets	219.23	311.16
Others	0.38	-
	219.61	**311.16**
Deferred Tax Assets (net) (A-B)	**7,909.06**	**10,115.90**

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Note 7.1 : Movement in deferred tax assets

Particulars	Provision for employee benefits	Carry forward losses	Property, plant and equipment & intangible Assets	MAT credit entitlement	Others	Others
As at April 1, 2023	55.45	246.56	(1,822.03)	12,049.49	(4.77)	10,524.70
(Charged)/credited:						
- to statement of profit and loss (Refer Note 7.3 & 7.5)	19.68	(246.56)	1,510.87	(1,794.77)	99.15	(411.63)
- to other comprehensive income	3.30	-	-	-	(0.47)	2.83
As at March 31, 2024	78.43	-	(311.16)	10,254.72	93.91	10,115.90
(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)	-	-	-	(0.38)	(10.64)
As at March 31, 2025	77.07	-	(219.22)	8,028.36	22.86	7,909.06

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 : During the previous year, the Company had recognised deferred tax asset on certain tax allowances related to earlier years amounting to ₹30.83 lakhs under Income Tax Act,1961.

Note 7.4 : Section 115 BAA of the Income Tax Act, 1961, introduced by the Taxation Laws (Amendment) Act, 2019 gives a one-time irreversible option for payment of income tax at reduced rate with effect from financial year commencing 1st April, 2019 subject to certain conditions. The Company has made an assessment of the impact of the above amendment and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax ("MAT"). The company shall, however, continue to review its profitability forecast at regular intervals and shall carry out necessary remeasurement adjustments to deferred tax/liabilities as per Ind As -12 " Income Taxes" upon assessment of reasonable certainty to avail the option under section 115 BAA.

Note 7.5 : Deferred tax expenses charged to statement of profit and loss for the year ended March 31, 2024 includes ₹1930.59 lakhs towards deferred tax assets recognised by the company on timing difference in respect of property, plant and equipment which was not recognised in earlier years considering the tax holiday period as a matter of prudence. The same was recognised based on the profitability projection of the company and management is confident to utilise the same against the taxable profits in future periods.

₹ in lakhs

Note 8- Non- current tax assests (net)	**As at March 31, 2025**	**As at March 31, 2024**
Advance tax and tax deducted at source (net)	961.34	954.94
	961.34	**954.94**

₹ in lakhs

Note 9- Other non-current assets	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured considered good		
Capital advances	583.44	522.74
Deposit with statutory/government authorities	239.07	234.56
	822.51	**757.30**

Note 9.1: Capital advances includes advance against land of ₹ 428.11 lakhs (March 31, 2024 - ₹414.73 lakhs). Refer note 47 for transactions with related party

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STAR CEMENT MEGHALAYA LIMITED KOLKATA

₹ in lakhs

Note 10- Inventories (Valued at lower of cost or net realisable value, unless otherwise stated)	As at March 31, 2025	As at March 31, 2024
Raw materials	1,088.10	1,356.63
Work in Progress	47.40	54.04
Finished goods (Refer note 10.3)	2,000.95	1,086.56
Fuels (including in transit as at March 31, 2025 Nil and March 31, 2024 - ₹64.67 lakhs)	16,180.13	14,147.95
Packing materials (Refer note 10.2)	-	1.52
Stores & spares (Refer Note 10.1)	3,534.49	3,392.51
	22,851.07	**20,039.21**

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, 2025 is ₹ 91.18 lakhs (March 31, 2024 – ₹ 41.58 lakhs). There has been no reversal of such write down in current and previous year.
Note 10.2 : Provision for obsolescence of packing material as on March 31, 2025 is ₹1.52 lakhs (March 31, 2024 – NIL).
Note 10.3 : Finished goods includes power inventory with MePDCL of ₹ 154.03 lakhs (March 31, 2024: ₹ 154.03 lakhs)

₹ in lakhs

Note 11- Trade receivables	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good-secured	30.44	30.44
Trade receivables considered good-unsecured	9,871.73	10,138.04
Trade receivables which have significant increase in credit risk	85.64	100.84
Trade receivables -credit impaired	-	-
	9,987.81	10,269.32
Less: Allowance for credit losses on trade receivables	(85.64)	(100.84)
	9,902.17	**10,168.48**

Note : Refer Note 47 for related party balances.

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 Trade Receivables								
- Considered Good	2.49	9,818.13	50.07	1.04	-	-		9,871.73
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
- Considered Good	-	-	-	-	-	-	30.44	30.44
- Significant increase in credit risk	-	-	-	-	-	-	85.64	85.64
- Credit Impaired	-	-	-	-	-	-	-	-
Total	**2.49**	**9,818.13**	**50.07**	**1.04**	**-**	**-**	**116.08**	**9,987.81**
Less: Allowance for credit losses on trade receivables	-	-	-	-	-	-	(85.64)	(85.64)
Total Trade Receivables	**2.49**	**9,818.13**	**50.07**	**1.04**	**-**	**-**	**30.44**	**9,902.17**

Ageing of outstanding trade receivables as on March 31, 2024 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	-	9,946.44	190.33	0.33	0.19	-	0.75	10,138.04
- significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	-	-	-
Disputed Receivables								
- Considered Good	-	-	-	-	-	-	30.44	30.44
- significant increase in credit risk	-	-	-	-	-	14.72	86.12	100.84
- Credit Impaired	-	-	-	-	-	-	-	-
	-	**9,946.44**	**190.33**	**0.33**	**0.19**	**14.72**	**117.31**	**10,269.32**
Less: Allowance for credit losses							(100.84)	(100.84)
Total Trade Receivables	**-**	**9,946.44**	**190.33**	**0.33**	**0.19**	**14.72**	**16.47**	**10,168.48**

Note 11.1 : Trade Receivable of ₹ 49.93 lakhs (March 31, 2024 – ₹ Nil) 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.

Star Cement Meghalaya Limited
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Notes to the Financial Statements for the year ended March 31, 2025

₹ in lakhs

Note 12- Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
Cash on hand	10.34	8.50
Cheques on hand	32.56	133.47
Balance with banks:		
- In current accounts/cash credit accounts	188.58	1,655.86
	231.48	1,797.83

₹ in lakhs

Note 13- Other bank balances	As at March 31, 2025	As at March 31, 2024
Fixed deposits with banks with remaining maturity of less than 12 months (refer note 13.1)	29.51	4,478.39
	29.51	4,478.39

Note 13.1: Fixed Deposits with banks includes fixed deposits of ₹ 28.45 lakhs (March 31, 2024: ₹ 203.54 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, 2025	As at March 31, 2024
Unsecured - Considered good (unless otherwise stated)		
Loans to body corporate (other than related parties)	40.00	325.00
	40.00	**325.00**

Note 14.1 : Disclosure of loans or advances to specified persons as per requirement of Schedule III of the Companies Act, 2013

Type of Borrower	As at March 31, 2025		As at March 31, 2024	
	₹ in lakhs	%	₹ in lakhs	%
Promoters	-	-	-	-
Directors	-	-	-	-
Key managerial personnel	-	-	-	-
Related parties	-	-	-	-
Others	40.00	100%	325.00	100%
Total	40.00	100%	325.00	100%

Note 14.2 : Disclosure of loans and advances section 186 of the Companies Act, 2013

₹ in lakhs

Type of Borrower	As at March 31, 2025			As at March 31, 2024		
	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) Shyam Trade & Finance Pvt. Ltd.	-	275.00	9.00%	275.00	500.00	9.00%
2) Goodview Agencies Pvt. Ltd.	40.00	50.00	10.00%	50.00	50.00	10.00%
	40.00	325.00		325.00	550.00	

Note 14.3 : There are no outstanding loans from any directors or other officers of the Company as on the each reporting date.

Note 14.4: The above Loans have been granted for general business purpose.

₹ in lakhs

Note 15- Other financial assets (current)	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (unless otherwise mentioned)		
Security deposits	0.82	15.40
Interest accrued but not due on:		
- Fixed deposits	0.63	496.60
- Loans	449.03	33.88
Subsidies and incentives receivable	-	85.93
Other Receivables (including insurance claim receivable Rs. 336.08 lakhs)	337.88	-
	788.36	631.81

₹ in lakhs

Note 16- Other current assets	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good (unless otherwise mentioned)		
Advances for supply of goods and services	5,135.84	6,463.60
Advances to employees	14.46	32.02
Balances with statutory/government authorities	89.21	205.33
Prepaid expenses	357.74	294.93
Unsecured, considered doubtful:		
Doubtful advances for supply of goods and services	13.03	10.01
Less: Allowance for bad & doubtful advances	(13.03)	(10.01)
	5,597.25	6,995.88

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Star Cement Meghalaya Limited

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Notes to the Financial Statements for the year ended March 31, 2025

₹ in lakhs

Note: 17A Equity share capital	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
6,90,90,000 (3,00,00,000 as at March 31, 2024) equity shares of ₹10/- each fully paid	6,909.00	3,000.00
	6,909.00	**3,000.00**
Issued, Subscribed & fully Paid -up shares	3,806.92	2,608.86
3,80,69,223 (2,60,88,656 as at March 31, 2024) equity shares of ₹10/- each fully paid	**3,806.92**	**2,608.86**

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, 2025	As at March 31, 2024
	No. of Shares	No. of Shares
At the beginning of the year	2,60,88,656.00	2,60,88,656.00
Add : Movement during the year (refer note no. 49)	1,19,80,567.00	-
At the end of the year	**3,80,69,223.00**	**2,60,88,656.00**

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

Name of the Shareholders	As at March 31, 2025		As at March 31, 2024	
	No of shares	% of holding	No of shares	% of holding
Star Cement Limited*	3,80,69,223	100.00%	2,60,88,656	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, 2025		As at March 31, 2024		% Change during the year
		No. of Shares	% of Shares	No. of Shares	% of Shares	
1	Star Cement Limited*	3,80,69,223	100.00%	2,60,88,656	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 as stated in note 49.
- no bonus shares were issued
- no shares were bought back

Note 17B. Equity share suspense (refer note 49)	As at March 31, 2025	As at March 31, 2024
NIL equity shares are pending to be issued under amalgamation scheme (March 31, 2024: 1,19,80,567 equity shares of ₹10 each)	-	1,198.06
	-	**1,198.06**

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STAR CEMENT MEGHALAYA LIMITED ★ KOLKATA

₹ in lakhs

Note 18- Other equity	As at March 31, 2025	As at March 31, 2024
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 49)		
Opening Balance	3,256.64	3,256.64
Movement during the year	-	-
Closing Balance	**3,256.64**	**3,256.64**
Retained Earnings		
Opening balance	1,05,249.15	96,562.78
Profit for the year	8,091.47	8,692.50
Other comprehensive income:		
Remeasurement of defined benefit plan (net of tax)	19.11	(6.13)
	8,110.58	**8,686.37**
Closing balance	**1,13,359.73**	**1,05,249.15**
Equity instruments through other comprehensive income		
Opening balance	30.85	29.97
Recognised during the year (net of tax)	0.70	0.88
	31.55	**30.85**
Total other equity	**1,36,685.98**	**1,28,574.70**

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 amalgamation:

The reserve has been created on account of amalgamation of Meghalaya Power Limited(MPL), Megha Technical & Engineers Private Limited(MTEPL) & NE Hills Hydro Private limited (NHHL) 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 Instruments through Other Comprehensive Income. The company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

STAR CEMENT MEGHALAYA LIMITED KOLKATA

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₹ in lakhs

Note 19- Lease liability	As at March 31, 2025	As at March 31, 2024
Lease liabilities- non current portion	10.25	213.64
	10.25	**213.64**

₹ in lakhs

Note 20- Provisions	As at March 31, 2025	As at March 31, 2024
Provisions for employee benefits		
-Gratuity (refer note 40)	137.91	99.64
-Leave encashment	76.24	86.03
Provision for site restoration (refer note 20.1)	65.40	61.08
	279.55	**246.75**

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, 2025	As at March 31, 2024
Opening balance	61.08	41.45
Add: provision during the year	-	15.59
Less: utilised during the year	-	-
Add: unwinding of discount on mines restoration provision	4.32	4.04
	65.40	**61.08**

₹ in lakhs

Note 21- Other non current liabilities	As at March 31, 2025	As at March 31, 2024
Deferred government grant (refer note 21.1)	529.90	617.58
	529.90	**617.58**

Note 21.1 : Movement of government grants

₹ in lakhs

Particulars	Opening as at April 1, 2024 (Including current portion)	Recognised during the year ended March 31, 2025	Transfer to Statement of Profit and Loss	Closing as at March 31, 2025 (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 equipment with Corresponding credit to depreciation account has been transferred to statement of profit and Loss proportionately based on useful lives of respective property, plant and equipment.	723.29	-	105.43	617.86

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

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₹ in lakhs

Note 22- Borrowings	**As at March 31, 2025**	**As at March 31, 2024**
Secured borrowings		
Working capital Facilities from banks - repayable on demand [refer note 22.1 and 22.2 below]		
- Cash credit	0.20	51.22
Unsecured borrowings		
- Working Capital Demand Loan (refer note 22.3)	2,000.00	-
	2,000.20	**51.22**

Note 22.1 : Working capital facilities of ₹ 0.20 lakhs (March 31,2024: ₹51.22 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 8.70% to 9.25% (March 31, 2024 - 7.15% to 9.15%).

Note 22.3 : The rate of interest of WCDL ranges between 7.19% to 8.39%.

₹ in lakhs

Note 23- Lease liability	**As at March 31, 2025**	**As at March 31, 2024**
Lease Liability- current portion	5.02	36.98
	5.02	**36.98**

₹ in lakhs

Note 24- Trade payables	**As at March 31, 2025**	**As at March 31, 2024**
Total outstanding dues of micro enterprises and small enterprises	177.75	183.90
Total outstanding dues of trade payable other than micro enterprises and small enterprises	4,674.00	6,228.79
	4,851.75	**6,412.69**

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**

Ageing of outstanding trade payables as on March 31, 2024 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	-	183.90	-	-	-	-	**183.90**
(ii)	Undisputed - others	313.06	3,770.39	257.56	69.16	2.63	12.89	**4,425.69**
(iii)	Disputed - micro and small enterprises	-	-	-	-	-	-	**-**
(iv)	Disputed dues - others	-	-	-	196.23	-	1,606.87	**1,803.10**
	Total	**313.06**	**3,954.29**	**257.56**	**265.39**	**2.63**	**1,619.76**	**6,412.69**

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₹ in lakhs

Note 25- Other financial liabilities	As at March 31, 2025	As at March 31, 2024
Creditors for capital goods (including dues to MSME vendors Rs.53.04 lakhs, March 31, 2024: NIL)	172.14	65.72
Retention money	116.51	115.21
Security deposits	31.44	30.94
Employees related liabilities	363.73	445.91
Other liabilities	66.04	139.72
	749.86	**797.50**

Note 25.1: Other liabilities represents liability towards miscellaneous expenses

₹ in lakhs

Note 26- Other current liabilities	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	2,319.90	2,294.01
Contract liabilities- Advance from customers (refer note 26.1)	28.59	289.46
Current portion of deferred government grant	87.96	105.71
	2,436.45	**2,689.18**

Note 26.1: Revenue of ₹289.46 lakhs (March 31,2024 :₹7.63 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, 2025	As at March 31, 2024
Provisions for employee benefits		
-Gratuity (refer note 40)	-	30.21
-Leave encashment	6.42	8.58
	6.42	**38.79**

₹ in lakhs

Note 28- Current tax liabilities (net)	As at March 31, 2025	As at March 31, 2024
Provision for taxation (net)	-	100.17
	-	**100.17**

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₹ in lakhs

Note 29- Revenue from operations	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of goods:		
-Cement	731.80	2,153.66
-Clinker	44,183.83	85,482.14
-Power	11,495.37	9,049.69
-Others	1,786.71	1,086.41
Sale of services:		
Fleet operating income	17,869.99	3,607.23
	76,067.70	**1,01,379.13**
Other Operating Income		
-Sale of scrap	219.52	113.61
	76,287.22	**1,01,492.74**

Note 29.1 : 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 29.2 : The company's primary customers are its holding company and fellow subsidiary companies. Refer note 47 for related party transactions.

Note 29.3 : The Company operates within the geographical areas of India.

Note 29.4 : Sale of other products includes sale of Lime stone, Fly ash, coal and other miscellaneous store items.

Note 29.5 : 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, 2025	For the year ended March 31, 2024
Revenue as per contract price	76,067.70	1,01,379.13
Discount and incentives	-	-
Revenue as per statement of profit and loss	**76,067.70**	**1,01,379.13**

₹ in lakhs

Note 30- Other income	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income (using effective interest rate method)		
-On bank deposits	36.16	635.27
-On loans	3,251.23	955.80
-On bonds	-	349.39
Interest income on income tax refund	-	38.71
Gain on sale of investment in associate	1.80	-
Liabilities/provisions no longer required written back	217.05	160.32
Gain on termination of lease contracts	22.74	-
Miscellaneous income (refer note 30.1)	195.44	91.75
	3,724.42	**2,231.24**

Note 30.1: Miscellaneous income includes Insurance claim received during the year amounting to ₹103.14 lakhs (March 31, 2024 : Nil)

₹ in lakhs

Note 31- Cost of materials consumed	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory at the beginning of the year	1,356.63	591.60
Add: Purchases	7,229.48	10,430.96
	8,586.11	**11,022.56**
Less :Inventory at the end of the year	1,088.10	1,356.63
	7,498.01	**9,665.93**

Note 31.1: Refer note 46A

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₹ in lakhs

Note 32- Changes in inventories of finished goods and work- in- progress	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Work in process		
-Opening stock	54.04	229.76
-Closing stock	47.40	54.04
	6.64	**175.72**
Finished goods		
-Opening stock	1,086.56	1,344.97
-Closing stock	2,000.95	1,086.56
	(914.39)	**258.41**
(Increase)/decrease	**(907.75)**	**434.13**

₹ in lakhs

Note 33- Employee benefit expenses	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Salaries & wages	5,144.00	5,529.98
Contribution to provident fund and other funds	97.23	111.31
Employees welfare expenses	188.54	203.12
	5,429.77	**5,844.41**

Note 33.1 : Employee cost is inclusive of remuneration paid to directors and key management personnels (refer note 47)

Note 33.2 : Salaries & wages expense Nil (March 31, 2024- ₹ 3.78 lakhs) related to employees deployed in project has been transferred to capital work-in-progress during the year.

₹ in lakhs

Note 34- Finance costs	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Interest expense		
-On borrowings (measured at amortised cost)	290.01	109.01
- On lease liabilities	14.49	19.84
- On unwinding of discount on site restoration provision	4.32	4.04
-Others	2.38	8.46
Other borrowing costs	42.46	77.86
	353.66	**219.21**

Note 34.1 : Interest of ₹115.20 lakhs (March 31, 2024- ₹8.38 lakhs) is capitalised during the year as pre- operative expenses in capital work in progress. Refer note 2.2(b).

Note 34.2: Interest to others includes interest on Micro and small enterprise amounting to ₹2.43 lakhs (March 31, 2024 - ₹7.75 lakhs)

₹ in lakhs

Note 35- Depreciation and amortisation expenses	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Depreciation on property, plant and equipment	6,740.14	6,161.78
Depreciation on right-of-use- assets	31.68	42.89
Amortisation of intangible assets	0.53	1.13
	6,772.35	**6,205.80**

Note 35.1 : Depreciation on property, plant and equipments is net off amortisation of Government Grant of ₹105.43 lakhs (31st March 2024- ₹128.16 lakhs) and capitalised depreciation Nil (March 31, 2024 - ₹5.34 lakhs).

Note 35.2 : Amortisation of intangible assets is Nil (March 31, 2024 ₹ 0.07 lakhs) which has been capitalised as pre-operative expenses in capital work in progress.

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₹ in lakhs

Note 36- Freight and forwarding expenses:	**For the period ended March 31, 2025**	**For the year ended March 31, 2024**
Carriage Outward (including fleet operating expenses) (refer note 46B)	11,253.36	24,665.84
	11,253.36	**24,665.84**

₹ in lakhs

Note 37- Other expenses	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Consumption of stores & spares (refer note 37.1)	3,126.54	2,780.32
Packing materials	9.37	71.82
Repairs & maintenance		
- Building	90.79	41.62
- Plant & machinery	1,058.00	633.53
- Others	315.58	122.64
Mining Operation Expenses	105.90	-
Heavy vehicle / equipment running expenses	1,550.20	1,121.84
Rent	3.44	5.46
Travelling and conveyance	58.72	66.90
Insurance	261.62	315.14
Rates and taxes	621.43	180.55
Charity and donation	41.82	25.45
Allowance for credit losses on trade receivables & advance	-	11.35
Bad Debts (Net of reversal of allowance for credit losses on trade receivables amounting to ₹15.20 lakhs. March 31, 2024: Nil)	-	-
Professional & consultancy fees(refer note 37.2)	224.38	332.88
Foreign currency exchange fluctuation (net)	4.30	-
CSR expenses	825.21	266.91
Advertisement and publicity	18.40	0.70
Sales promotion expenses	3.32	56.24
Loss on sale of Property plant and equipment	52.20	46.96
Miscellaneous expenses (refer note 37.3)	1,084.70	846.23
Total	**9,455.92**	**6,926.54**

Note 37.1: Includes provision for obsolescence of inventory amounting to ₹49.60 lakhs (March 31, 2024: ₹28.30 lakhs)

Note 37.2: Payment to Auditors

₹ in lakhs

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Statutory audit fees	12.00	10.00
Tax audit fees	4.75	4.75
Limited Review	8.00	-
Certification and other service	-	7.25
Reimbursement of expenses	0.37	0.36
	25.12	**22.36**

Note 37.3: (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.

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Note: 38 Tax expense

₹ in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Current tax		
Current tax on profits for the year	2,195.00	1,937.79
Total current tax expense	**2,195.00**	**1,937.79**
(b) Deferred tax		
Deferred tax	2,196.19	442.46
Total deferred income tax expense/(income)	2,196.19	442.46
(c) Tax in respect of earlier years	-	(12.15)
Tax expenses	**4,391.19**	**2,368.10**

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

₹ in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	12,482.66	11,060.60
Tax at the Corporate tax rate of 34.944%	**4,361.94**	**3,865.02**
Items not deductible under Income Tax Act, 1961	152.16	134.34
Other tax benefits in the form of deduction allowed to the Company	-	(50.42)
Tax impact due to brought forward losses	-	(59.76)
Adjustment related to earlier years	-	(12.15)
Deferred tax asset recognised on tax holiday period (refer note 7.5)	-	(1,930.59)
Others	(122.91)	421.66
Tax expenses	**4,391.19**	**2,368.10**

Note 38.2 : The corporate tax rate used for the year 2024-25 and 2023-24 for above reconciliation is 34.944% (30%+ surcharge @12% + education cess @4%) payable on taxable profits under the Income Tax Act, 1961.

Note 38.3 : 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: 39A Components of other comprehensive income

₹ in lakhs

Particulars	For the year ended 31st March, 2025	For the year ended March 31, 2024
Items that will not be reclassified to Statement of Profit and Loss:		
-Remeasurement of defined benefit plans	29.37	(9.43)
-Income tax related to above	(10.26)	3.30
- Fair value of equity instrument through other comprehensive income	1.08	1.35
-Income tax related to above	(0.38)	(0.47)
	19.81	**(5.25)**

Note: 39B Earnings per share

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended 31st March, 2025	For the year ended March 31, 2024
(i) Profit attributable to equity holders of the company used in calculating basic and diluted earning per share	8,091.47	8,692.50
(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	21.25	22.83
Diluted	21.25	22.83

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Note: 40 Employees Benefits

Post-employment obligations

(A) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity based on entitlement not less than as per The Payment of Gratuity Act, 1972. 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, 2023	**343.53**	**(260.97)**	**82.56**
Current service cost	31.02	-	31.02
Interest expense/(income)	25.43	(18.58)	6.84
Total amount recognised in profit or loss	**56.45**	**(18.58)**	**37.86**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.24	0.24
Actuarial (gain)/loss from change in financial assumptions	43.28	-	43.28
Actuarial (gain)/loss from unexpected experience	(34.09)	-	(34.09)
Total amount recognised in other comprehensive income	**9.19**	**0.24**	**9.43**
Employer contributions/ premium paid	-	-	-
Benefit paid	(19.91)	19.91	-
March 31, 2024	**389.25**	**(259.40)**	**129.85**

₹ 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	28.20	-	28.20
Interest expense/(income)	25.70	(16.48)	9.22
Total amount recognised in profit or loss	**53.90**	**(16.48)**	**37.42**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(8.92)	(8.92)
Actuarial (gain)/loss from change in financial assumptions	17.86	-	17.86
Actuarial (gain)/loss from unexpected experience	(38.30)	-	(38.30)
Total amount recognised in other comprehensive income	**(20.44)**	**(8.92)**	**(29.36)**
Employer contributions/ premium paid			-
Benefit paid	(54.62)	54.62	-
March 31, 2025	**368.09**	**(230.18)**	**137.91**

Net Liability/(Asset) recognised in the balance sheet ₹ in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of Defined Benefit Obligation	368.09	389.25
Fair Value of Plan Assets	(230.18)	(259.40)
Net Liability/(Asset) in the Balance Sheet	**137.91**	**129.85**
Current Liability /(Asset)	-	30.21
Non-Current Liability /(Asset)	137.91	99.64

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.61%	7.10%
Expected return on plan assets	6.61%	7.10%
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, 2025		As at 31st March, 2024	
	1% rate increase	1% rate decrease	1% rate increase	1% rate decrease
Discount rate	(33.39)	40.83	(33.92)	41.26
Salary growth rate	38.26	(32.73)	38.59	(32.49)
Withdrawal rate	(0.13)	2.01	1.48	0.18

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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 previous 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, 2025	As at March 31, 2024
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, 2025 are ₹ 42.46 lakhs. (March 31, 2024 : ₹41.98 lakhs)
The weighted average duration of the defined benefit obligation is 5.29 years (March 31, 2024: 5.31 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, 2025	22.52	69.59	99.39
March 31, 2024	30.21	21.93	70.00

(B) Defined Contribution Plan:

In respect of defined contribution plan, with respect to provident fund contribution and pension fund contribution, an amount of ₹ 90.96 lakhs (March 31, 2024: ₹ 104.74 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, 2025 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, 2025	As at March 31, 2024
Long term Borrowings	-	-
Short-term Borrowings	2,000.20	51.22
Less: Cash and Cash equivalent	231.48	1,797.83
Less: Bank balances Other than Cash and Cash equivalent	29.51	4,478.39
Net Debt	**1,739.21**	**(6,225.00)**
Total Equity	1,40,492.90	1,32,381.62
Capital and net debt	**1,42,232.11**	**1,26,156.62**
Gearing ratio	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, 2025 and March 31, 2024.

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Note : 42 - Financial instruments by category

₹ in lakhs

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	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	-	35.10	35.10	-	34.02	34.02
(ii) Loans	43,526.94	-	43,526.94	29,100.08	-	29,100.08
(iii) Trade receivables	9,902.17	-	9,902.17	10,168.48	-	10,168.48
(iv) Cash and cash equivalents	231.48	-	231.48	1,797.83	-	1,797.83
(v) Balance with banks (other than (iv) above)	29.51	-	29.51	4,478.39	-	4,478.39
(vi) Other financial assets	1,019.68	-	1,019.68	701.82	-	701.82
	54,709.78	35.10	54,744.88	46,246.59	34.02	46,280.61
Financial liabilities						
(i) Borrowings	2,000.20	-	2,000.20	51.22	-	51.22
(iii) Trade payables	4,851.75	-	4,851.75	6,412.69	-	6,412.69
(iv) Lease Liabilities	15.27	-	15.27	250.62	-	250.62
(v) Other financial liabilities	749.86	-	749.86	797.50	-	797.50
	7,617.08	-	7,617.08	7,512.03	-	7,512.03

(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.

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

₹ in lakhs

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments (Unquoted)	-	-	35.10	-	-	34.02
Total financial assets	-	-	35.10	-	-	34.02

During the reporting period ending March 31, 2025 and March 31, 2024, there was no transfer between level 1, level 2 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, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
(i) Investments	-	-	-	-
(ii) Loans	43,526.94	43,526.94	29,100.08	29,100.08
(iii) Trade receivables	9,902.17	9,902.17	10,168.48	10,168.48
(iv) Cash and cash equivalents	231.48	231.48	1,797.83	1,797.83
(v) Balance with banks (Other than (iv) above)	29.51	29.51	4,478.39	4,478.39
(vi) Other financial assets	1,019.68	1,019.68	701.82	701.82
	54,709.78	54,709.78	46,246.60	46,246.60
Financial liabilities				
(i) Borrowings	2,000.20	2,000.20	51.22	51.22
(ii) Trade payables	4,851.75	4,851.75	6,412.69	6,412.69
(iii) Lease Liabilities	15.27	15.27	250.62	250.62
(iv) Other financial liabilities	749.86	749.86	797.50	797.50
	7,617.08	7,617.08	7,512.03	7,512.03

(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).

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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 as per the Companies 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, 2023	**89.49**
Provided during the year	11.35
As at March 31, 2024	**100.84**
Provided during the year	-
Amount utilised	(15.20)
Reversal during the year	-
As at March 31, 2025	**85.64**

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 incentives receivable from the government, 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, 2025 and March 31, 2024 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, 2025**	**As at March 31, 2024**
Fund based facilities	4,999.80	4,449.78
Non-fund based facilities	2,839.06	4,855.06
	7,838.86	**9,304.84**

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, 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**

₹ in lakhs

Contractual maturities of financial liabilities - March 31, 2024	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**
Borrowings	51.22	-	-	51.22
Trade payables	6,412.69	-	-	6,412.69
Lease Liabilities	60.11	211.33	65.54	336.98
Other financial liabilities	797.50	-	-	797.50
Total financial liabilities	**7,321.52**	**211.33**	**65.54**	**7,598.39**

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(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/coal 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.

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, 2025	As at March 31, 2024
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, 2025	For the year ended March 31, 2024
Sensitivity		
Foreign exchange fluctuation – Strengthening of INR by 5% *	(8.40)	-
Foreign exchange 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, 2025 and March 31, 2024 , 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, 2025	As at March 31, 2024
Variable rate borrowings	2,000.20	51.22
Total borrowings	**2,000.20**	**51.22**

(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, 2025	For the year ended March 31, 2024
Interest expense rates – increase by 50 basis points	(10.00)	(0.26)
Interest expense rates – decrease by 50 basis points	10.00	0.26

** 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, 2025	For the year ended March 31, 2024
Increase by 5%*	(1.76)	(1.70)
Decrease by 5%*	1.76	1.70

** Holding all other variables constant*

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(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

₹ in lakhs

Sl. No	Particulars	As at March 31, 2025	As at March 31, 2024
	Claims against the Company not acknowledge as debts :		
1	Income tax demand	6,316.94	3,545.61
2	Excise duty demand	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))	2,765.48	5,673.09
5	Demand on Custom Duty (Refer note 44 (c))	403.82	403.82
6	Service tax demand	-	51.31
7	Goods & service tax demand { also refer note 44(d)}	1,417.79	1,348.81
8	VAT Demand { also refer note 44(e)}	2,293.53	2,293.53
9	Others	78.62	78.62
		34,786.19	34,904.81

Note: Based on legal opinion / decisions in similar cases, the Company believes that the Company has a fair chance of favourable 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, 2025	As at March 31, 2024
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,070.97	928.84
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 years, the Company had received a demand notice from the Divisional Mining Officer (DMO), Directorate of Mineral Resources, Meghalaya, Jowai towards outstanding dues of royalty & Cess on Coal, Limestone and Clay procured/consumed by the Company in certain specific periods between F.Y. 2012-13 to F.Y. 2022-23 amounting to ₹7,476.20 lakhs (including ₹4,875.10 lakhs towards Penal Interest) against which a provision amounting to ₹1803.11 lakhs had been made in the books of accounts till the last years on account of abundant precaution. As per the provisions of the Mines and Minerals (Development and Regulation) Act, 1957, the liability for payment of royalty in respect of any mineral removed/ consumed from the mining lease area arises on the holder of the mining lease and not on the purchaser of such mined minerals. Hence, there is no obligation of the Company to pay royalty/cess in case the minerals are procured from third party vendors. Further during the year, the office of DMO has withdrawn and issued no dues certificates towards its demand for payment of Royalty & Cess on Clay and waived off /reduced the penal interest on limestone and coal respectively. Thereby the above demand has been reduced to ₹2231.22 lakhs (including ₹428.11 lakhs towards Penal Interest). Based on the same and since the liability to pay royalty & cess itself is not applicable to the company, no provision of differential demand on coal of ₹ 428.11 lakhs has been provided and shown as contingent liability.

The office of DMO in its correspondences during the year, has raised the demand towards Royalty & Cess on Shale & Clay amounting to Rs. 2337.37 lakhs for the period Feb'2020 to May'2024 without giving detailed breakup of the same. Even though, the same office of DMO has already withdrawn and issued no dues certificates towards its demand for payment of Royalty & Cess on Clay and Shale for the period Feb'2020 to Dec'2022 and Feb'2020 to Jan'2024 respectively before raising the above demand. Since the company had already applied for no due certificate for the remaining period and expected to receive in due course, no provision has been made in the books of accounts and shown as contingent liability.

Based on the legal opinion received in this regard, the Company has disputed the demand and believe that the said demand is not tenable, and the matter shall be disposed of in the favour of the Company.

(c) During the previous 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 previous financial years, on April 26, 2022, the Deputy Director, DRI, Shillong Regional Unit had also seized certain machineries of the company valuing ₹ 5027.01 lakhs alleging non-fulfilment of EO as mentioned above but later allowed to continue the use of the seized machinery. In the said D&SCN, the Company has been asked to reply as to why the seized imported machineries as above should not be confiscated and why differential Custom duty foregone shall not be demanded along with applicable interest & penalties. The D&SCN as above also disputed the EO fulfilled by the company against two EPCG licenses either by itself or through its group Company in earlier years. In its reply to the Commissioner of Customs (Port)- Kolkata, the company has claimed that it has fulfilled all its EO as required against all the four EPCG licenses and further paid the differential custom duty & interest thereon where there was shortfall in fulfilling the EO and hence the said demand is not tenable. The Company has further stated that fulfilment of EO through the group Company was well within the ambit of Foreign Trade Policy. The Company firmly believes that it has a good case in this matter and hence no provision has been made in the books of accounts.

Further in the previous year, Additional Director General of Foreign Trade, Guwahati had imposed a penalty of ₹ 311.56 lakhs on the similar grounds as mentioned above in case of one EPCG license. On its appeal before Director General of Foreign Trade, Delhi (DGFT), DGFT vide its order dated August 08, 2022 has remanded back the matter to Regional Authority, Guwahati for de-novo consideration and the matter is pending at the DGFT, Guwahati. No further communication has been received in this regard.

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(d) The Company had received a demand notice from the Director General of Goods & Service Tax Intelligence (DGGI), Shillong towards non-payment of GST under reverse charge mechanism (RCM) amounting to Rs. 415.80 lakhs on payment of Royalty, DMF, NMET & Mineral cess and Rs. 244.20 lakhs towards ineligible input tax credit (ITC) availed by the company under RCM during the month of July 2017 (along with penalty amounting to ₹ 415.80 & 244.20 lakhs and interest thereon respectively).

The Company has made the adequate payment of GST under RCM amounting to Rs.244.20 lakhs @ 5% applicable rate, before the issuance of demand notice, which has not been taken in cognizance by DGGI and imposed a demand of ₹415.80 lakhs based on a higher rate of 18% based on CBIC circular no 164/20/2021-GST dated 6th October 2021 with retrospective effect. By giving a reference of a Tribunal decision on a similar case in the favour of assessee, the company has submitted its reply to DGGI and sought for disposal of the matter in its favour and no communication has been received from DGGI since then and the matter is pending. The company considers the above demand non tenable and deserves to be set aside. Based on the legal opinion received, the Company believes that it has a good case in this matter and no provision is required at this stage.

(e) During the previous year, the Superintendent of Taxes, East Jaintia Hills District, Khliehriat had raised a demand of Rs. 1885.67 lakhs and Rs. 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 Rs. 200.00 lakhs within stipulated time. Based on the direction of the court, a sum of Rs. 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 offices and 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, 2025	As at March 31, 2024
Opening balance	250.62	276.07
Additions	-	11.74
Deletions	(208.18)	(0.62)
Add: Interest recognised during the year	14.49	19.84
Less: Payments made	(41.66)	(56.40)
Closing balance	**15.27**	**250.62**
Non Current Lease Liability	**10.25**	**213.64**
Current Lease Liability	**5.02**	**36.98**

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

Particulars	As at March 31, 2025	As at March 31, 2024
Interest expense on lease liabilities	14.49	19.84
Depreciation expense of right-of-use assets	31.68	42.89
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 43(B)). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	6.00	60.11
One to two years	11.00	59.02
Two to five years	-	152.31
More than five years	-	65.54
Total undiscounted Lease Liabilities	**17.00**	**336.98**

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, 2025	For the year ended March 31, 2024
(i)	Consumption of stores & spares	483.06	428.35
(ii)	Heavy Vehicle / Equipment running expenses	912.92	1,134.31
(iii)	Rates & Taxes- Royalty	3,126.74	3,469.51
(iv)	Mining Operation Expenses	573.09	538.64
		5,095.81	**5,570.81**

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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, 2025		For the year ended March 31, 2024	
	Freight & Forwarding (including expenses related to fleet service)	Power and fuel	Freight & Forwarding (including expenses related to fleet service)	Power and fuel
Power and fuel (Diesel and Diesel Exhaust fuel)	7,003.27	931.69	4,783.15	1,342.32
Consumption of stores and spares	443.69	65.75	332.26	100.75
Repairs & Maintenance	411.68	61.02	434.21	131.66
Insurance	80.66	11.96	83.72	25.39
Rates and taxes	96.03	14.23	81.51	24.72
Fleet operation charges	2,404.43	477.69	1,611.95	541.40
Toll expenses	765.70	141.79	475.78	178.92
Miscellaneous expenses	48.01	7.12	26.91	8.16
	11,253.36	1,711.05	7,829.49	2,353.32

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 Building Solution Limited (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 (w.e.f. from 05.09.2024)
KOPILI Cement (I) Pvt.Ltd.	Fellow Subsidiary (w.e.f. 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. Emlangky 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. 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, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
1. Purchase transactions						
SCL	1,629.22	3,961.20	-	-	-	-
SCNEL	-	-	-	-	-	-
2. Sale transactions						
SCL	28,990.99	94,679.58	-	-	-	-
SCNEL	-	-	29,243.37	1,844.38	-	-
3. Service rendered						
SCL	9,799.26	3,318.55	-	-	-	-
SCNEL	-	-	8,033.07	300.33	-	-
Rahul Chamaria (HUF)	-	-	-	-	-	-
Rajendra Udyog (HUF)	-	-	-	-	-	-
Mrs. Clara Suja	-	-	-	-	44.58	-
4. Services received						
SCL	6.00	6.00	-	-	-	-
Rahul Chamaria (HUF)	-	-	-	-	15.53	18.64
Rajendra Udyog (HUF)	-	-	-	-	18.21	21.85
5. Sale of capital goods						
CPIL						-
SCL	-	9.44	-	-	-	-
SCFL						-
6. Loans given						-
SCL	27,215.27	3,330.00	-	-	-	-
SCNEL	-	-	5,615.00	21,537.00	-	-
SSBSL	-	-	8,462.40	1,915.00	-	-
7. Loans received back						
SCL	6,438.22	625.00	-	-	-	-
SCNEL	-	-	19,935.00	295.00	-	-
SSBSL			207.60	-		
8. Purchase of investment						
SCNEL	-	-	-	3,200.00	-	-
SSBSL	-	-	11.90	-	-	-
9. Purchase of equity shares						
SCL	-	-	-	-	-	-
9. Purchase of Land						
Mrs. Sailyne Suja	-	-	-	-	65.25	98.77
10. Interest received						
SCL	1,601.30	420.37	-	-	-	-
SCNEL	-	-	1,118.77	513.80	-	-
SSBSL	-	-	524.20	8.59	-	-
11. Security Deposit received back						
Rahul Chamaria (HUF)	-	-	-	-	9.32	-
Rajendra Udyog (HUF)	-	-	-	-	10.93	-
12. Donation paid						
Lumshnong Village Welfare Trust	-	-	-	-	40.00	-
Star Cement Charitable Trust	-	-	-	-	1.71	-
13.CSR expenses						
Lumshnong Village Welfare Trust	-	-	-	-	278.48	256.18
Star Cement Charitable Trust	-	-	-	-	288.23	-
14. Remuneration paid						
Mr. Tushar Bhajanka (*)	-	-	-	-	-	146.67
Mr. Emlangky Lamare	-	-	-	-	18.00	18.00
Mr. Ravi Bharati	-	-	-	-	19.29	15.04
Mr. Brij Mohan Jha	-	-	-	-	9.94	8.07
15.Commission/ Incentive paid :						
Mr. Emlangky Lamare	-	-	-	-	16.36	19.94
16.Sitting fees :						
Mrs. Clara Suja	-	-	-	-	0.05	0.05
Mr. Nirmalya Bhattacharyya	-	-	-	-	0.40	0.33
Mr. Pramod Kumar Shah	-	-	-	-	0.45	0.45

* Mr Tushar Bhajanka has received remuneration from transferor company , MTEPL in the position of Managing director for the period April 1, 2023 to February 28, 2024.

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C) Balance Outstanding as at March 31, 2025 :

₹ 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, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Trade and other payable						
SCL	-	287.67	-	-	-	-
SCNEL				-		-
SSBSL	-	-	-	38.69	-	-
CLL				-		-
Rahul Chamaria (HUF)				-	-	-
Rajendra Udyog (HUF)				-	-	-
Renu Chamaria				-		-
NU				-		-
(c) Debtors						
CPIL						
SCFL						
(b) Loans (given):						
SCL	26,395.14	5,618.08	-	-		-
SCNEL	-	-	6,922.00	21,242.00		
SSBSL	-	-	10,169.80	1,915.00		-
(c) Interest receivable						
SCL	1.17	-	-	-	-	-
SCNEL	-	-	6.90	-	-	-
SSBSL	-	-	433.09	-	-	-
(d) Trade and other receivables						
SCL	5,133.04	7,353.33	-	-		-
SCNEL	-	-	4,699.05	2,747.96	-	-
Mrs. Clara Suja	-	-	-	-	49.93	-
(e) Security deposit given						
Rahul Chamaria HUF	-	-	-	-	-	9.32
Rajendra Udyog (HUF)	-	-	-	-	-	10.93
(e) Guarantees Obtained						
Mr. Sajjan Bhajanka				-		-
Mr. Rajendra Chamaria				-		-
Mr. Sanjay Agarwal				-		-
Mr. Prem Kumar Bhajanka				-		-
(e) Share Capital (Including Security Premium)						
SCL	23,019.84	23,019.84	-	-	-	-
(f) Investments						
SCNEL	-	-	4,002.00	4,002.00	-	-
SSBSL	-	-	13.60	2.00	-	-
(g). Capital Advance						
Mrs. Sallyne Suja	-	-	-	-	191.84	192.12
(h) Remuneration payable						
Mr. Tushar Bhajanka				-		-
Mr. Emlangky Lamare	-	-	-	-	1.50	1.50
Mr. Ravi Bharati	-	-	-	-	-	1.10
Mr. Brij Mohan Jha	-	-	-	-	-	0.58
(i) Commission / Incentive payable						
Mr. Emlangky Lamare	-	-	-	-	1.43	1.89

D) As mentioned in Note no 49, Hon'ble National Company Law Tribunal ,Guwahati Bench had approved scheme for amalgamation of MTEPL, MPL, and NHHL with SCML vide order dated May 10, 2024 and the appointed date of the amalgamation was April 1,2023. Based on this order, the Company had reported all transactions with MPL, MTEPL and NHHL and their balances, by aggregating with SCML transactions and balances. So, in above related party reporting of current and previous financial year, SCML transactions and balances includes transactions and balances with MPL, MTEPL and NHHL.

E) Transactions with and balances of related parties of transferor companies viz . MPL, MTEPL and NHHL (which are not related parties of the Company) are not shown in above related party disclosures as these transactions were not falling under the ambit of "Related Party Transaction" from the Company stand point of view.

F) Key management personnel compensation

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	47.24	187.78
Post-employment benefits (refer note below)	-	-
Long-term employee benefits	-	-
Total compensation	47.24	187.78

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.

G) 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, 2025, 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, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	230.79	183.90
(ii) Interest due on above	0.02	-
Total of (i) & (ii)	230.81	183.90
(i) Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act.	0.08	11.78
(ii) Amount paid to the suppliers beyond the respective appointed date.	120.06	83.54
(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.	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of accounting year.	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

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Note : 49 - Business Combination

1) The National Company Law Tribunal (NCLT), Guwahati bench vide order dated May 10, 2024 had sanctioned the scheme for amalgamation ("the scheme") of Meghalaya Power Limited (MPL), Megha Technical and Engineers Private Limited (MTEPL) and NE Hills Hydro Limited (NHHL) (all three being referred as "Transferor Company") with Star Cement Meghalaya Limited (SCML),("Transferee" or the "Company"), pursuant to section 230 to 232 of the Companies Act, 2013 and appointed date of the scheme was April 1, 2023.

2) As per the approved scheme of amalgamation by the NCLT, a copy of the order was filed with the Registrar of Companies, on May 20, 2024 in accordance with the applicable provisions of the Companies Act 2013. This business combination involves entities or businesses under common control, so accounting has been carried out as per 'Pooling of interest method' as prescribed by Ind AS 103 "Business Combination". As per requirement of Ind As 103, the financial information in the financial statements in respect of previous year i.e. for the year ended March 31, 2023 has been restated as if the business combination had occurred from the beginning of the previous year in the financial statements i.e. 1.4.2022 irrespective of the actual date of the combination.

3) Based on the NCLT order, upon coming into effect of the scheme and with effect from the appointed date, the MPL, MTEPL & NHHL shall stand amalgamated with the Company, as a going concern, without any further deed or act, together with all the undertaking of the transferor companies in line with the provisions of the scheme.

4) In pursuant to the scheme of amalgamation, the company had issued 1,19,80,569 equity shares of Rs 10 each fully paid on May 22, 2024 to the shareholders of the transferor companies in the following exchange ratio :
(i) To the shareholder of MPL- 1 fully paid-up equity share of Rs 10 each in transferee company for each 6 fully paid- up equity shares of Rs 10 each of MPL.
(ii) To the shareholder of MTEPL- 1 fully paid-up equity share of Rs 10 each in transferee company for each 3 fully paid- up shares of Rs 10 each of MTEPL
(iii) To the shareholder of NHHL - 1 fully paid-up equity share of Rs 10 each in transferee company for each 7 fully paid- up shares of Rs 10 each of NHHL.

5) The Company has recorded all assets and liabilities of all the transferor Companies, at their respective book values thereof as appearing in the books of the accounts of all the transferor companies at the close of the business day immediately preceding the appointed date after giving the impact of accounting policy changes in line with the accounting policies followed by the transferee company. The book values are based on audited financial statements of all the transferor companies which was approved by respective company's board of the directors.

6) A summary of the MPL, MTEPL, & NHHL 's assets and liabilities incorporated as at appointed date (i.e. April 01, 2023) is as follows: ₹ in lakhs

Particulars	MPL	MTEPL	NHHL	Total
Assets				
Non current assets				
Property, Plant & Equipment	14,388.67	1,425.04	2.06	15,815.77
Capital work in progress	940.89	40.87	-	981.76
Right of use asset	0.19	2.91	-	3.10
Intangible Assets	-	0.37	-	0.37
Investment	-	11,634.99	32.67	11,667.66
Loan	-	8,313.08	-	8,313.08
Other financial assets	1.59	2,292.82	-	2,294.41
Deferred tax assets	-	1,869.29	-	1,869.29
Non current tax assets	325.29	154.23	-	479.52
Other non current assets	71.21	26.29	1.17	98.67
	15,727.84	**25,759.89**	**35.90**	**41,523.63**
Current assets				
Inventories	1,387.97	190.34		1,578.31
Trade Receivables	429.39	658.97		1,088.36
Cash & Cash Equivalents	39.47	99.49	0.33	139.29
Bank Balance	26.44	6,029.33		6,055.77
Other financial assets	-	320.55		320.55
Other assets	159.21	61.65		220.86
	2,042.48	**7,360.33**	**0.33**	**9,403.14**
A. Total assets	**17,770.32**	**33,120.22**	**36.23**	**50,926.77**
Liabilities				
Non current liabilities				
Borrowing	400.00	-	-	400.00
Other financial liabilities	-	30.44	-	30.44
Provisions	22.84	58.33	-	81.17
Deferred tax liabilities	245.22	-	-	245.22
Other Non current liabilities	36.06	9.62	-	45.68
	704.12	**98.39**	**-**	**802.51**
Current liabilities				
Lease liabilities	0.23	2.97	-	3.20
Trade payable -	1,940.47	433.56	-	2,374.03
Other financial liabilities	111.08	120.61	-	231.69
Provisions	7.51	9.70	-	17.21
Current tax liabilities	-	2.13	-	2.13
Other current liabilities	*42.52*	164.10	1.23	207.85
	2,101.81	**733.07**	**1.23**	**2,836.11**
B. Total Liabilities	**2,805.93**	**831.46**	**1.23**	**3,638.62**
Reserves acquired				
Securities premium	5,232.25	-	-	5,232.25
Retained earning	8,019.08	22,295.57	(1.97)	30,312.68
Equity instruments through OCI	-	7,258.55	29.97	7,288.52
C. Total reserves	**13,251.33**	**29,554.12**	**28.00**	**42,833.45**
D. Net Asset / (liabilities) as on April 1 , 2023 (A-B-C)	**1,713.06**	**2,734.64**	**7.00**	**4,454.70**
Consideration				
Equity shares issued as per scheme	285.51	911.55	1.00	1,198.06
E. Total consideration	**285.51**	**911.55**	**1.00**	**1,198.06**
F. Capital reserve arised on amalgamation (D-E)	**1,427.55**	**1,823.09**	**6.00**	**3,256.64**

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7) Upon coming into effect of this scheme, to the extent, there are investments, inter corporate loan/advances, deposits balances, any receivables and payable as between transferor company and transferee companies, the obligations related to thereof had come to an end and corresponding effect is given in the books of accounts of transferee company for the reduction of related assets and liabilities.
Further, OCI reserve related to equity instrument through OCI on equity shares and investment held by the MTEPL in SCML has been netted off with the share capital and securities premium in the books of SCML.
In pursuant to above mentioned scheme, 37,29,162 equity shares of the company held by the transferee company (MTEPL), has been cancelled without any further act or deed.

8) Actuarial Valuation for retirements benefits in terms of Indian Accounting Standard (Ind As 19) on "Employee Benefits" has been undertaken for transferor companies and transferor company separately. Valuation of retirement benefits for amalgamated entity has been estimated based on actuarial valuation of individual companies separately.

9) The reconciliation of Equity of the company as on 31-03-2023 after giving impact of the scheme of amalgamation is as follow:

Particulars	₹ in lakhs
Total equity of the Company as on March 31, 2023 before the impact of the Scheme	86,648.01
Equity shares issued as on May 22, 2024 per the Scheme {refer note 49(4)} (shown under Equity share suspense)	1,198.06
(ii) Cancellation of equity shares held by transferor company (MTEPL) { refer note 49(7)}	(372.92)
Capital Reserve arisen on Business Combination {refer note 49(6)}	3,256.64
Cancellation of securities premium related to equity shares held by the Transferor company (MTEPL)	(2,610.32)
Total reserves of MPL as on March 31, 2023 { refer note 49(6)}	13,251.33
Total reserves of MTEPL as on March 31, 2023 { refer note 49(6)}	22,295.57
Total reserves of NHHL as on March 31, 2023 { refer note 49(6)}	28.00
Total equity as on March 31, 2023 after the impact of the Scheme	**1,23,694.37**

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Note : 50 - Corporate social responsibility

₹ in lakhs

		For the Year ended March 31, 2025	For the Year ended March 31, 2024
(a)	**Gross amount required to be spent by the company during the year**	**204.16**	**155.68**
(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	**825.21**	266.91
(d)	Short fall during the year	-	-
(e)	Payment made	**825.21**	266.91
(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
(g)	Related Party transactions as per Ind AS 24 in relation to CSR expenditure (refer note 50.1)	566.71	181.92

Note 50.1 : The Company has paid donations of ₹608.42 lakhs (March 31, 2024: ₹256.18 lakhs) to Lumshnong Village Local Area Charitable Trust & Star Charitable Trust, out of which ₹566.71 lakhs (March 31, 2024: ₹181.92 lakhs) is utilised for the purpose of CSR activities as per Companies Act, 2013

Note: 51 - Financial Ratios

Sl. No.	Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	3.92	4.39	-10.57%
2	Debt- Equity Ratio (in times)^	Total Debt (Long term + Short term borrowing)	Equity (Share Capital + Other equity)	0.01	0.00	3579.66%
3	Debt Service Coverage Ratio (in times)$	Earnings available for debt service	Debt service	9.73	57.93	-83.21%
4	Return on Equity Ratio (%)	Net Profit	Average Shareholders equity (5)	5.93%	6.79%	-12.64%
5	Inventory Turnover Ratio (in times)*	Sales	Average Inventory (1)	3.55	4.96	-28.55%
6	Trade Receivables Turnover Ratio (in times)*	Sales	Average Trade receivable (2)	7.58	12.27	-38.23%
7	Trade Payables Turnover Ratio (in times)	Purchases	Average Trade Payable (3)	1.90	1.96	-3.26%
8	Net Capital Turnover Ratio (in times)	Sales	Working capital= Current Assets- Current Liabilities	2.59	2.95	-12.41%
9	Net Profit Ratio (%)	Net Profit	Sales	10.64%	8.57%	24.06%
10	Return on Capital Employed (%)	Earning Before Interest & Tax (EBIT)	Capital Employed (4)	9.01%	8.52%	5.76%
11	Return on Investment (%)**	Gain/(loss) on investment	Average Investment (6)	0.06%	13.26%	-99.53%

(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

Explanation for variances exceeding 25% :

^ Change in primarily on account of increase in borrowings during the year.
$ Decrease in Debt service coverage ratio due to taken new short term borrowings (WCDL) during the year.
* Decrease in inventory turnover ratio due to decrease of turnover.
**Decrease in Return on Investment mainly due to increase of interest income on Loans.

Note 52 -: 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.

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Note: 53 - Segment Information

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.

Note: 54 - 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'25	Trade Receivable	9,876.07	9,902.17	-26.10	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	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)	
	March'24	Trade Receivable	11,165.46	9,696.54	1,468.92	
		Inventory	17,062.77	17,697.87	(635.10)	
		Trade Payable	3,685.27	5,294.75	(1,609.48)	
	December'23	Trade Receivable	12,776.21	12,390.53	385.68	
		Inventory	19,489.77	19,538.75	(48.98)	
		Trade Payable	5,055.28	6,062.39	(1,007.11)	
	September'23	Trade Receivable	14,226.93	14,228.39	(1.46)	
		Inventory	17,421.75	17,421.75	(0.00)	
		Trade Payable	2,876.43	5,959.17	(3,082.74)	
	June'23	Trade Receivable	11,526.99	12,958.74	(1,431.75)	
		Inventory	16,230.07	17,032.03	(801.96)	
		Trade Payable	3,408.71	6,220.01	(2,811.30)	

Note 55 : 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.

Note 56 : 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 57: These financial statements have been approved by the Board of Directors of the Company on May 20, 2025 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

SINGHI & CO. Chartered Accountants

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 20, 2025

Brij Mohan Jha
Company Secretary

Tushar Bhajanka
Director
DIN:09179632