

INDEPENDENT AUDITOR'S REPORT

To

**The Members of Star Smart Building Solutions Limited
(Formerly Star Cement (I) Limited)
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of **Star Smart Building Solutions Limited (Formerly Star Cement (I) 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 loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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



Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors of the company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern and,
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015 as amended;
 - (e) On the basis of the written representations received from the directors as on April 1, 2025 taken on record by the Board of Directors, none of the directors were 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, no managerial remuneration has been paid by the company to its directors during the year.
 - (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 Company has no pending litigations in its 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. 30 (iii), 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. 30 (iv), 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 the software except audit trail feature which 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.



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

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYT2452

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 Smart Building Solutions Limited (Formerly Star Cement (I) 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 does not have any intangible assets as on reporting date. Hence, reporting under clause 3(i)(b) of the order is not applicable.
 - b. The Company is in the project stage as on the balance sheet date and the property plant & equipment consists majorly of Land & Site development. As explained to us by the management, physical verification of property plant & equipment shall be carried out in a phased manner over a reasonable period of time upon completion of the project and start of commercial production. In view of above no physical verification of property, plant & equipment has been carried out during the year.
 - 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 (a) of the financial statements).

| Description of property | Gross carrying value (Rs. In lakhs) | 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 | 1165.34 | Star Cement North East India Ltd | No (Fellow Subsidiary) | Purchased during the FY 2022-23 | The process of change of name is in progress. |

- d. The Company has not revalued any of its Property, Plant and Equipment during the year. The Company does not hold any Right of use assets or intangible assets as on balance sheet date.
- 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.
 - a. The company does not have any material inventories at the year end. Further, operations of the company are yet to be started. Thus, physical verification of inventories has not been carried out during the year.
 - b. The Company has not been sanctioned working capital limits more than five crore, in aggregate, from banks or financial institution and hence requirement of submission of the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable to the company.
- 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. The Company has not made any investments in firms, limited liability partnership or any other parties during the year. Accordingly, reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- 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 securities and have not made any investments. Thus, reporting under clause 3(iv) of the order is not applicable to the company.



- V. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- VI. Since the operations of the company are yet to be started, the Company is not required to maintain cost records as specified under Section 148(1) of the Companies Act 2013 read with the companies (Cost Records and Audit) Rules, 2014. Therefore, clause (vi) of para 3 of the order is not applicable to the company.
- VII.
- a. According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Services tax, Duty of customs, Duty of excise, Value Added Tax, Cess and Other Statutory Dues applicable to it. In our opinion, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service tax, Duty of customs, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable
- b. According to the information and explanations given to us and on the basis of the records of the Company examined by us, there are no dues referred to in sub clause (a), which have not been deposited as at March 31, 2025 on account of any dispute.
- 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 our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or government authority.
- c. In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- 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. & f. 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 does not have any associate, subsidiary or joint venture and hence reporting under clause 3(ix)(e) & (f) of the order is not applicable to the company.
- 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. Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. 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 complied with the requirements of section 62 of the Companies Act 2013 with respect to the issue of equity shares on preferential basis during the year and the funds raised have been used for the purposes for which the funds were raised.
- 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, clause 3(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. 27 to the financial statements of the company
- XIV. The company is not required to have an internal audit system as per the criteria given in the Companies Act, 2013. Accordingly, clause xiv (a) & (b) are not applicable to the company.
- 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 incurred cash losses amounting to Rs. 159.57 Lakhs during the current financial year covered by our audit. However, the company incurred Rs. 118.20 Lakhs as cash losses during the preceding financial year,
- XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios (refer note – 29 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. The company is in project stage and in the process of setting up a manufacturing unit for Autoclaved Aerated Concrete blocks (AAC) and Construction Chemicals in Guwahati, Assam. The company is a Wholly Owned Subsidiary of Star Cement Limited. Although the company is having negative networth, as represented to us by the management of the company, it has full financial support from the holding company. 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, the provisions under sub-section (5) of Section 135 of the Act are not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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



Place: Kolkata
Date: May 20, 2025

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYT2452

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 Smart Building Solutions Limited (Formerly Star Cement (I) 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 Smart Building Solutions Limited (Formerly Star Cement (I) 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.

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.



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

(Gopal Jain)
(Partner)
Membership No. 059147
UDIN: 25059147BMLGYT2452

Place: Kolkata
Date: May 20, 2025

Star Smart Building Solutions Limited
(formerly Star Cement (I) Limited)
CIN : U26999ML2021PLC013780
Regd. Office: Vill:-Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793 210
Balance Sheet as at March 31, 2025

₹ in lakhs

| Particulars | Notes | As at March 31, 2025 | As at March 31, 2024 |
|--|-------|----------------------|----------------------|
| A. ASSETS | | | |
| 1. Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 2.1 | 1,230.07 | 2,587.18 |
| (b) Capital Work-in-Progress | 2.2 | 7,865.13 | 181.82 |
| (c) Deferred Tax Assets (Net) | 3 | 69.25 | 29.75 |
| (d) Non Current Tax Assets (Net) | 4 | 0.30 | 0.71 |
| (e) Other Non-current Assets | 5 | 421.20 | 1,528.11 |
| Total Non-Current Assets | | 9,585.95 | 4,327.57 |
| 2. Current Assets | | | |
| (a) Inventories | 6 | 97.75 | 0.25 |
| (b) Financial Assets | | | |
| (i) Cash and cash equivalents | 7 | 69.62 | 19.89 |
| (ii) Other Financial Assets | 8 | 957.68 | 41.21 |
| (c) Other Current Assets | 9 | 1,214.54 | 14.11 |
| Total Current Assets | | 2,339.59 | 75.46 |
| Total Assets | | 11,925.54 | 4,403.03 |
| B. Equity And Liabilities | | | |
| 1. Equity | | | |
| (a) Equity Share Capital | 10 | 10.00 | 5.00 |
| Other Equity | 11 | (178.49) | (88.45) |
| Total Equity | | (168.49) | (83.45) |
| Liabilities | | | |
| 2. Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 12 | 10,411.80 | 3,723.11 |
| (b) Provisions | 13 | 10.37 | - |
| Total Non-Current Liabilities | | 10,422.17 | 3,723.11 |
| 3. Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Trade Payables | | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | 14 | 6.35 | - |
| (b) Total outstanding dues of trade payable other than micro enterprises and small enterprises | | 160.69 | 0.90 |
| (ii) Other Financial Liabilities | 15 | 1,419.12 | 747.85 |
| (b) Provisions | 16 | 0.36 | - |
| (c) Other Current Liabilities | 17 | 85.34 | 14.62 |
| Total Current Liabilities | | 1,671.86 | 763.37 |
| Total Liabilities | | 12,094.03 | 4,486.48 |
| Total Equity and Liabilities | | 11,925.54 | 4,403.03 |
| Material Accounting Policies | 1 | | |

The Accompanying Notes are an Integral part of the Financial Statements.

As per our report of even date.

For Singhi & Co.

Chartered Accountants

Firm Registration No.302049E


(Gopal Jain)

Partner

Membership No. 059147

Place : Kolkata

Date : 20th May, 2025.

Tabrez Haroon

Company Secretary

**For & on behalf of Board of Directors of
Star Smart Building Solutions Limited
(formerly Star Cement (I) Limited)**
Tushar Bhajanka

Director

DIN:09179632

Nikitā Bansal

Director

DIN:03109710



Statement of Profit and Loss for the Year Ended March 31, 2025

₹ in lakhs unless otherwise stated

| Particulars | Notes | For the Year Ended March 31, 2025 | For the Year ended March 31, 2024 |
|---|-------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from Operations | | - | - |
| Other Income | | - | - |
| Total Income | | - | - |
| EXPENSES | | | |
| Cost of Materials Consumed | 18 | - | - |
| Finance Costs | 19 | 156.93 | 116.22 |
| Other Expenses | 20 | 2.64 | 1.98 |
| Total Expenses | | 159.57 | 118.20 |
| Profit before Exceptional Items and Tax | | (159.57) | (118.20) |
| Exceptional Items | | - | - |
| Profit/(Loss) before Tax | | (159.57) | (118.20) |
| Tax Expenses | | | |
| - Current Tax | | - | - |
| - Income Tax for Earlier Years | | (0.03) | - |
| - Deferred Tax | 3 | (39.50) | (29.75) |
| Total Tax Expenses | | (39.53) | (29.75) |
| Profit/(Loss) for the year | | (120.04) | (88.45) |
| Other Comprehensive Income (Net of Tax) | | | |
| Items that will not be Reclassified to Profit or Loss | | - | - |
| Items that will be reclassified to Profit or Loss | | - | - |
| Other Comprehensive Income for the year (Net of Tax) | | - | - |
| Total Comprehensive Income for the year | | (120.04) | (88.45) |
| Earnings per Equity Share of ₹ 10 each | 21 | | |
| Basic (₹) | | (232.44) | (176.90) |
| Diluted (₹) | | (232.44) | (176.90) |
| Material Accounting Policies | 1 | | |

The Accompanying Notes are an Integral Part of the Financial Statements

For & on behalf of Board of Directors of Star
Smart Building Solutions Limited
(formerly Star Cement (I) Limited)

As per our report of even date.



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

Tushar Bhajanka
Director
DIN:09179632

Tabrez Haroon
Company Secretary

Nikit Bansal
Director
DIN:03109710

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

Star Smart Building Solutions Limited (formerly Star Cement (I) Limited)

CIN : U26999ML2021PLC013780

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



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 | 5.00 |
| Changes during the year | - |
| As at March 31, 2024 | 5.00 |
| Changes during the year (Refer note no. 10) | 5.00 |
| As at March 31, 2025 | 10.00 |

B. Other equity

₹ in lakhs

| Particulars | Reserve & surplus | | Total |
|--|--------------------|-------------------|-----------------|
| | Securities premium | Retained earnings | |
| As at April 1, 2023 | - | - | - |
| Profit/(Loss) for the year (a) | - | (88.45) | (88.45) |
| Other comprehensive income(net of tax) (b) | - | - | - |
| Total comprehensive income for the year (a+b) | - | (88.45) | (88.45) |
| Balance as at March 31, 2024 | - | (88.45) | (88.45) |
| Balance as at April 1, 2024 | - | (88.45) | (88.45) |
| Profit/(Loss) for the year (a) | - | (120.04) | (120.04) |
| Other comprehensive income(net of tax) (b) | - | - | - |
| Total comprehensive income for the year (a+b) | - | (120.04) | (120.04) |
| Issue of Equity shares during the year (Refer note no. 11) | 30.00 | - | 30.00 |
| Balance as at March 31, 2025 | 30.00 | (208.49) | (178.49) |

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

For & on behalf of Board of Directors of Star Smart Building Solutions Limited (formerly Star Cement (I) Limited)

As per our report of even date

For Singhi & Co.

Chartered Accountants

Firm Registration No.:302049E



Tushar Bhajanka

Director

DIN:09179632

(Gopal Jain)

Partner

Membership No. 059147

Place : Kolkata

Date : 20th May, 2025.

Tabrez Haroon

Company Secretary

Nikita Bansal

Director

DIN:03109710



Statement of Cash Flow for the year ended March 31, 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 | (159.57) | (118.20) |
| Adjustments for : | | |
| Finance costs | 156.93 | 116.22 |
| Operating profit before working capital changes | (2.64) | (1.98) |
| Adjustments for : | | |
| (Increase) / decrease in inventories | (97.50) | (0.25) |
| (Increase) / decrease in financial & other assets | (1,207.79) | (53.52) |
| Increase / (decrease) in trade payables | 166.14 | 0.90 |
| Increase / (decrease) in other liabilities and provisions | 81.91 | 13.15 |
| Cash generated from operations | (1,059.88) | (41.70) |
| Income tax paid (net of refunds) | 0.41 | (0.71) |
| Net cash flow from operating activities | (1,059.47) | (42.41) |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment (including capital work in progress, capital advances and capital liabilities) | (6,607.41) | (3,377.95) |
| Sale of property, plant and equipment | 1,119.22 | - |
| Net cash used in investing activities | (5,488.19) | (3,377.95) |
| C. Cash Flow from financing activities | | |
| Proceeds from Non-current borrowings | 8,704.40 | 3,540.00 |
| Repayment of Non-current borrowings | (2,015.71) | (0.39) |
| Interest paid | (126.30) | (135.70) |
| Proceeds from Issue of Equity Share Capital | 35.00 | - |
| Net proceeds from financing activities | 6,597.39 | 3,403.91 |
| Net Increase/(decrease) in cash and cash equivalents (A+B+C) | 49.73 | (16.44) |
| Cash and cash equivalents at the beginning of the year | 19.89 | 36.34 |
| Cash and cash equivalents at the end of the year | 69.62 | 19.89 |

Notes :

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

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------|----------------------|----------------------|
| Cash on hand | 3.26 | 1.72 |
| Cheques on hand | 10.00 | - |
| Balance with banks | 56.36 | 18.17 |
| Total | 69.62 | 19.89 |

- Income tax paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 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 flow, therefore reconciliation has not been given.

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

As per our report of even date

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



For & on behalf of Board of Directors of
Star Smart Building Solutions Limited
(formerly Star Cement (I) Limited)

Tushar
Tushar Bhajanka
Director
DIN:09179632

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

Tábrez Haroon
Company Secretary

Nikita Balsa
Director
DIN:03109710

Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

Note 1: Corporate Information and Material Accounting Policies

A. Corporate Information

Star Smart Building Solutions Limited (Formerly Star Cement (I) Limited) ("the Company") is a public limited company domiciled in India and incorporated on May 20, 2021 as per the provisions of the Companies Act. The registered office is located at Lumshnong, P.O. Khaliehrait, Dist. East Jaintia Hills, Meghalaya - 793210. The Company was incorporated for setting up the manufacturing plant of Autoclaved Aerated Concrete blocks (AAC) and Construction chemicals. The Company is a wholly owned subsidiary of Star Cement Limited.

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 bonds is measured at amortised cost
- 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.

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



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

- (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 recognised 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 summarised below:



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

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.

a) 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.

b) 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 are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) 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.

d) 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.

e) 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) Foreign Currency Transactions and Balances

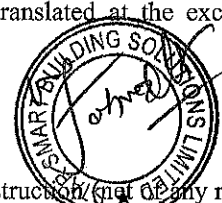
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's standalone financial statements are presented in Indian Rupees which is the Company's functional currency.

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) Property, plant and equipment

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



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

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.

Subsequent expenditures are included in the asset's carrying amount or recognised 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.

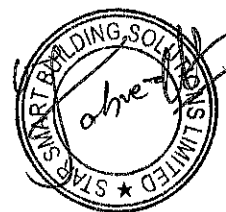
Capital Work in Progress

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 capitalised.



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:

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:

Derecognition of property plant and equipment

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. 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 recognised in the Statement of Profit and Loss when the asset is derecognised.

(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 asset can be measured reliably.

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

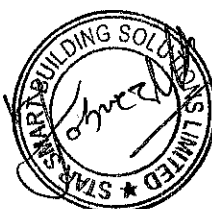
Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended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



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

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 recognised 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.

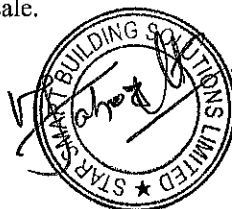
(ix) Inventories**Raw materials, stores and spare parts, fuel and packing material:**

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

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:

- **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.

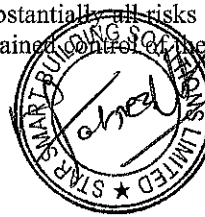
Derecognition of financial assets

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 recognises 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.

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.

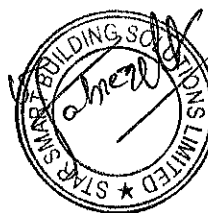
De-recognition of financial liabilities

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.



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

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) 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.

(xviii) Revenue Recognition**(A) Sale of Goods**

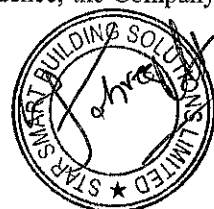
The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results,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



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).

(xix) 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 benefit 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.

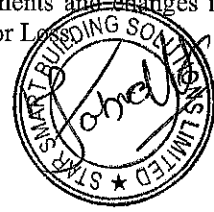
(iii) Defined Benefit Plan

Retirement benefits in the form of gratuity is 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 recognised in the period in which they occur, in the statement of Profit or Loss.



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

(xx) Tax Expenses

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 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.

(xxi) 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.

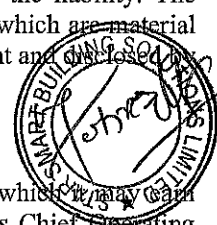
For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity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

(xxii) 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.

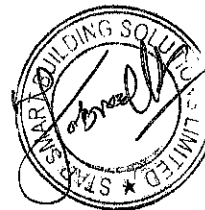
(xxiii) Segment reporting

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



Notes to standalone financial statements for the year ended March 31, 2025 [Contd.]

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.





Notes to the Financial Statements for the Year Ended March 31, 2025

Note 2.1- Property, Plant and Equipment

₹ in Lakhs

| Particulars | Land & Site Development | Plant & Machinery | Vehicles | Total |
|--|-------------------------|-------------------|----------|------------|
| Gross carrying value | | | | |
| As at April 1, 2023 | - | - | - | - |
| Additions | 2,587.18 | - | - | 2,587.18 |
| Disposals/Deductions/Adjustments | | | | |
| As at March 31, 2024 | 2,587.18 | - | - | 2,587.18 |
| Additions (Refer note no. 2.1f) | 606.49 | 34.65 | 32.65 | 673.79 |
| Disposals/Deductions/Adjustments (Refer note no. 2.1g) | (2,028.33) | - | - | (2,028.33) |
| As at March 31, 2025 | 1,165.34 | 34.65 | 32.65 | 1,232.64 |
| Accumulated Depreciation | | | | |
| As at April 1, 2023 | - | - | - | - |
| Charge for the year | - | - | - | - |
| Disposals/Deductions/Adjustments | - | - | - | - |
| As at March 31, 2024 | - | - | - | - |
| Charge for the Year | - | 2.24 | 0.34 | 2.57 |
| Disposals/Deductions/Adjustments | - | - | - | - |
| As at March 31, 2025 | - | 2.24 | 0.34 | 2.57 |
| Net Carrying Value | | | | |
| As at March 31, 2024 | 2,587.18 | - | - | 2,587.18 |
| As at March 31, 2025 | 1,165.34 | 32.41 | 32.32 | 1,230.07 |

Note 2.1 a) : Title deeds of all immovable properties are held in the name of the Company except for the asset mentioned in the below table :

| Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value (₹ lakhs) | 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 |
|---|---------------------------------|--------------------------------|--------------------------------------|---|--------------------------------|--|
| Property, Plant & Equipment | Free Hold Land | 1,165.34 | Star Cement North East India Limited | No (Fellow Subsidiary) | FY 2023-24 | The process of change of name is in progress. |

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

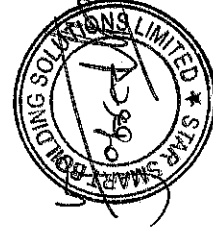
Note 2.1 c) : The company has not revalued its property plant & equipment during the current period and previous year.

Note 2.1 d) : Depreciation for the year includes ₹ 2.57 Lakh(March 31, 2024 -nil) which has been capitalised as pre-operative expenses in capital work-in-progress.

Note 2.1 e) : Refer note 27 for purchase and sale transactions with related parties.

Note 2.1 f) : Additions to Land and Site Development include Rs. 453.57 Lakhs, representing a differential amount payable to a fellow subsidiary for land purchased in the previous year. This increase in value has been paid on account of conversion of the land from agricultural purpose to industrial use.

Note 2.1 g) : The disposal of land during the year was made to a fellow subsidiary.



Notes to the Financial Statements for the Year Ended March 31, 2025

Note 2.2- Capital Work-in-Progress

₹ in Lakhs

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| As at March 31, 2024 | 181.82 | 64.24 |
| Add : Expenditure during Construction for Projects | 7,683.31 | 117.58 |
| Less : Capitalised during the Year | - | - |
| As at March 31, 2025 | 7,865.13 | 181.82 |

Ageing of Capital work-in-progress

₹ in Lakhs

| Particulars | Amount in CWIP for a period of | | | | |
|--------------------------------|--------------------------------|-------------|-------------|-------------------|----------|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| As at March 31, 2025 | | | | | |
| Projects in progress | 7,683.31 | 117.58 | 64.09 | 0.15 | 7,865.13 |
| Projects temporarily suspended | | | | | |
| As at March 31, 2024 | | | | | |
| Projects in progress | 117.58 | 64.09 | 0.15 | - | 181.82 |
| Projects temporarily suspended | | | | | |

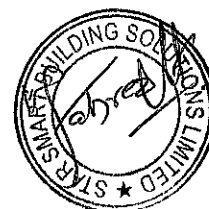
Note No. 2.2 (i) There is no project whose cost has exceeded its budget or has overrun its completion time at each reporting date.

Note No. 2.2 (ii) 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 year included in capital work in progress | 171.27 | 62.81 |
| Add: expenditure incurred during the year | | |
| Finance costs | 402.46 | 19.47 |
| Employee Benefit Expenses | 223.51 | - |
| Depreciation | 2.57 | - |
| Miscellaneous expenses (refer note below) | 195.45 | 88.99 |
| Less: capitalised during the year | - | - |
| Balance at the end of year included in capital work in progress | 995.26 | 171.27 |

Note: Above mentioned miscellaneous expenses includes heavy vehicle expenses, professional consultancy etc.



Star Smart Building Solutions Limited (formerly Star Cement (I) Limited)

CIN : U26999ML2021PLC013780

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



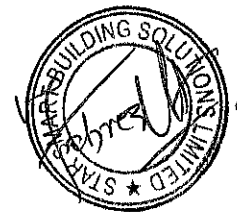
Notes to the Financial Statements for the Year Ended March 31, 2025

| ₹ in Lakhs | | |
|--|----------------------|----------------------|
| Note 3- Deferred Tax Assets (Net) | As at March 31, 2025 | As at March 31, 2024 |
| Deferred Tax Assets | | |
| - Employee Benefit Obligations | 2.70 | - |
| - On carry forward losses/unabsorbed depreciation under Income Tax Act, 1961 | 67.17 | 29.75 |
| | 69.87 | 29.75 |
| Deferred Tax Liabilities | | |
| - On temporary differences related to property, plant and equipment | 0.62 | - |
| | 0.62 | - |
| Deferred Tax Assets (Net) | 69.25 | 29.75 |

| ₹ in Lakhs | | |
|--------------------------------------|----------------------|----------------------|
| Note 4- Non Current Tax Assets (Net) | As at March 31, 2025 | As at March 31, 2024 |
| Tax deducted at source (Net) | 0.30 | 0.71 |
| | 0.30 | 0.71 |

| ₹ in Lakhs | | |
|----------------------------------|----------------------|----------------------|
| Note 5- Other Non-current Assets | As at March 31, 2025 | As at March 31, 2024 |
| Capital Advances | | |
| Secured and considered good | 134.84 | 50.51 |
| Unsecured and considered good | 286.36 | 1,477.60 |
| | 421.20 | 1,528.11 |

| ₹ in Lakhs | | |
|---|----------------------|----------------------|
| Note 6- 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 | 91.78 | - |
| Fuel Materials | 3.67 | - |
| Stores and Spares | 2.30 | 0.25 |
| | 97.75 | 0.25 |



₹ in Lakhs

| Note 7- Cash and cash equivalents | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Cash on hand | 3.26 | 1.72 |
| Cheques in hand | 10.00 | - |
| Balance with Banks | | |
| - In current accounts/cash credit accounts | 56.36 | 18.17 |
| | 69.62 | 19.89 |

₹ in Lakhs

| Note 8- Other Financial Assets | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Unsecured, considered good (unless otherwise mentioned) | | |
| Security Deposits | 9.88 | 2.52 |
| Other receivable (refer note 8.1) | 947.80 | 38.69 |
| | 957.68 | 41.21 |

Note : 8.1 Other receivable pertains to amount receivable from a fellow subsidiary against sale of land (refer note 27)

₹ in Lakhs

| Note 9- 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 | 5.31 | - |
| Advances to Employees | 1.03 | 5.22 |
| Balances with Statutory/Government Authorities | 1,144.62 | 8.89 |
| Prepaid Expenses | 63.58 | - |
| | 1,214.54 | 14.11 |





| Note 10- Equity share capital | ₹ In Lakhs | |
|---|----------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Authorized capital 1,00,00,000 (1,00,00,000 as at March 31, 2024) equity shares of ₹ 10/- each | 1,000.00 | 1,000.00 |
| | 1,000.00 | 1,000.00 |
| Issued and subscribed 1,50,000 (50,000 as at March 31, 2024) equity shares of ₹ 10/- each | 15.00 | 5.00 |
| | 15.00 | 5.00 |
| Paid-up capital 50,000 (50,000 as at March 31, 2024) equity shares of ₹ 10/- each fully paid 1,00,000 (Nil as at March 31, 2024) equity shares of ₹ 10/- each (₹ 5/-party paid up) | 5.00 | 5.00 |
| | 5.00 | - |
| | 10.00 | 5.00 |

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) During the year, the Company has issued 1,00,000 equity shares of ₹ 10/- each (₹ 5/-party paid up) at a premium of Rs. 50 each (received ₹ 30 on allotment) on preferential basis. The equity shares were allotted on March 26, 2025.

c) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

| | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Number of shares at the beginning of the year | 50,000 | 50,000 |
| Issued during the year | 1,00,000 | - |
| Number of shares at the end of the year | 1,50,000 | 50,000 |

d) Shares held by the holding company

| Name of the shareholder | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------|----------------------|----------------------|
| Star Cement Limited | 81,000 | 30,000 |

e) Details of shareholders holding more than 5% of equity share capital

| Sr no | Name of the shareholders | As at March 31, 2025 | | As at March 31, 2024 | |
|-------|--------------------------------------|----------------------|--------------|----------------------|--------------|
| | | No of shares | % of holding | No of shares | % of holding |
| 1 | Star Cement Meghalaya Limited | 51,000 | 34.00% | 20,000 | 40.00% |
| 2 | Star Cement Limited (refer note (f)) | 76,500 | 51.00% | 30,000 | 60.00% |
| 3 | Ghanshyam Das Dhanuka | 22,500 | 15.00% | - | - |

f) Shares held by the promoters at the end of the year

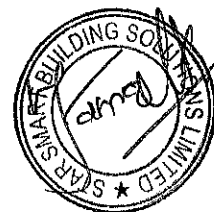
| Sr no | Promoter name | As at March 31, 2025 | | As at March 31, 2024 | | % Change during the year |
|-------|--------------------------------------|----------------------|--------------|----------------------|--------------|--------------------------|
| | | No of shares | % of holding | No of shares | % of holding | |
| 1 | Star Cement Meghalaya Limited | 51,000 | 34.00% | 20,000 | 40.00% | -6% |
| 2 | Star Cement Limited (refer note (f)) | 76,500 | 51.00% | 30,000 | 60.00% | -9% |

g) 6 equity shares has been held by other persons as nominee shareholders which are beneficially owned by the Holding Company.

h) 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.

i) 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.

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





Notes to the Financial Statements for the Year Ended March 31, 2025

₹ in Lakhs

| Note 11- Other Equity | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Security Premium | | |
| Opening Balance | - | |
| Addition/(Deduction) during the Year | 30.00 | |
| Closing Balance of Security Premium | 30.00 | |
| Retained Earnings | | |
| Opening Balance | (88.45) | - |
| Profit/(Loss) for the Year | (120.04) | (88.45) |
| Closing Balance of Retained Earnings | (208.49) | (88.45) |
| Total Other equity | (178.49) | (88.45) |

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

Retained earnings

Retained earnings represents accumulated profit / (loss) of the company as on reporting date.

₹ in Lakhs

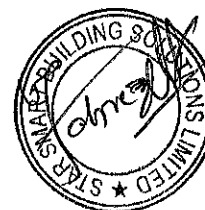
| Note 12- Borrowings | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Term Loans (Secured) | | |
| Rupee Loans from Banks [Refer note 12.1] | 242.00 | - |
| Loans from related party (unsecured) | | |
| From holding company and fellow subsidiary [refer note 12.2, 12.3, 12.4 and 12.5] | 10,169.80 | 3,723.11 |
| | | - |
| | 10,411.80 | 3,723.11 |

Note 12.1: Term loan from a bank amounting to ₹ 242 lakhs (March 31, 2024 -Nil) is secured by the 1st charge on all movable & immovable fixed asset pertaining to the AAC Project at Sonapur Guwahati. It is further secured by corporate guarantee provided by the Holding Company. The loan carries an interest @ 8% p.a (March 31,2024 @ nil) and repayable in 14 quarterly instalment starting from September 30, 2026. Refer note 27 for related party transaction.

Note 12.2: Term loan from holding company amounting to ₹ Nil (31st March'2024-Rs. 1,808.11 lakhs) was payable within a term of 5 years. However the same was repaid in full in the current year and was having interest rate of 8.79% (March 31, 2024: 8.49%).

Note 12.3: Term loan from a fellow subsidiary of ₹10,169.80 lakhs (31st March'2024 - 1,915.00) is payable within 5 years and the rate of interest is 7.78% (March 31, 2024: 7.66%).

Note 12.4: Company has not made any default in loan repayment and interest payments as at each reporting date.





Notes to the Financial Statements for the Year Ended March 31, 2025

₹ in Lakhs

| Note 13- Provisions | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------------|-------------------------|-------------------------|
| Provisions for Employee Benefits | | |
| -Gratuity (refer note no. 26) | 3.18 | - |
| -Leave Encashment | 7.19 | - |
| | 10.37 | - |

₹ in Lakhs

| Note 14- Trade Payables | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| - Total outstanding dues of micro enterprises and small enterprises | 6.35 | - |
| - Total outstanding dues of trade payable other than micro enterprises and small enterprises | 160.69 | 0.90 |
| | 167.04 | 0.90 |

Ageing of outstanding trade payables as on 31 March 2025.

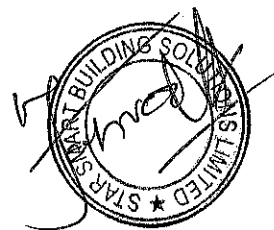
₹ in Lakhs

| Sr No | Particulars | Unbilled | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
|-------|---|----------|---------|---------------------|-------------|-------------|----------------------|--------|
| (i) | Undisputed- micro and small enterprises | - | 6.35 | - | - | - | - | 6.35 |
| (ii) | Undisputed- others | 155.00 | 5.69 | - | - | - | - | 160.69 |
| (iii) | Disputed- micro and small enterprises | - | - | - | - | - | - | - |
| (iv) | Disputed- others | - | - | - | - | - | - | - |

Ageing of outstanding trade payables as on 31 March 2024.

₹ in Lakhs

| Sr No | Particulars | Unbilled | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
|-------|---|----------|---------|---------------------|-------------|-------------|----------------------|-------|
| (i) | Undisputed- micro and small enterprises | - | - | - | - | - | - | - |
| (ii) | Undisputed- others | 0.90 | - | - | - | - | - | 0.90 |
| (iii) | Disputed- micro and small enterprises | - | - | - | - | - | - | - |
| (iv) | Disputed- others | - | - | - | - | - | - | - |



Star Smart Building Solutions Limited (formerly Star Cement (I) Limited)

CIN : U26999ML2021PLC013780

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



Notes to the Financial Statements for the Year Ended March 31, 2025

₹ in Lakhs

| Note 15- Other Financial Liabilities | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Interest accrued but not due on Borrowings | 433.09 | - |
| Creditors for Capital Goods (Refer note below) | 852.84 | 747.80 |
| Employees related liabilities | 0.51 | - |
| Retention Money | 132.68 | - |
| Other Liabilities | - | 0.05 |
| | 1,419.12 | 747.85 |

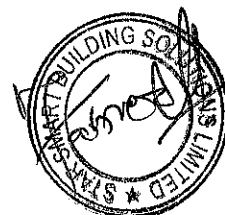
Note : 15.1 Includes MSME creditors of ₹ 3.54 Lakhs , March'24 of ₹ 1.44 Lakhs)

₹ in Lakhs

| Note 16- Provisions | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------------|----------------------|----------------------|
| Provisions for Employee Benefits | | |
| -Gratuity (Refer note no.26) | 0.01 | - |
| -Leave Encashment | 0.35 | - |
| | 0.36 | - |

₹ in Lakhs

| Note 17- Other Current Liabilities | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------|----------------------|----------------------|
| -Statutory Liabilities | 85.34 | 14.62 |
| | 85.34 | 14.62 |





Notes to the Financial Statements for the Year Ended March 31, 2025

₹ in Lakhs

| Note 18- 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 | - | - |
| Add: Purchases | 91.78 | - |
| | 91.78 | - |
| Less: Inventory at the End of the Year | 91.78 | - |
| | - | - |

₹ in Lakhs

| Note 19- Finance Costs | For the Year Ended March 31, 2025 | For the Year ended March 31, 2024 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Interest Expense | | |
| -On Loans Measured at Amortised Cost | 156.76 | 116.22 |
| -Others | 0.17 | - |
| | 156.93 | 116.22 |

Note 19.1 : Interest of ₹402.46 lakhs (March 31, 2024- ₹19.47 lakhs) is capitalised during the year as pre- operative expenses in Capital work in progress (refer note no 2.2). Rate of capitalisation is @ 7.81% (March 31, 2024- 8.43%).

Note 19.2 : Refer note 12 for applicable Interest rate on borrowings.

₹ in Lakhs

| Note 20- Other Expenses | For the Year Ended March 31, 2025 | For the Year ended March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Miscellaneous Expenses (refer note 20.1) | 2.64 | 1.98 |
| Total | 2.64 | 1.98 |

Note 20.1: Miscellaneous expenses includes payment to Statutory Auditor ₹ 2.50 Lakh (31st March'2024: ₹1.00 Lakh.)

₹ in lakhs unless otherwise stated

| Note: 21 - Earnings per share (Basic & Diluted earnings per share) | For the year ended March 31, 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 | (120.04) | (88.45) |
| (ii) Weighted average number of equity shares used as the denominator in calculating basic earnings per share | 51,644 | 50,000 |
| (iii) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share | 51,644 | 50,000 |
| (iv) Earning per share (in ₹) | | |
| Face value of Equity shares | 10.00 | 10.00 |
| Basic | (232.44) | (176.90) |
| Diluted | (232.44) | (176.90) |



Note : 22 - Capital management**Risk management**

The primary objective of capital management is to ensure the maintenance of healthy capital ratio in order to support its business and maximise shareholder value. The Company manages its capital structure and makes changes in view of changing economic conditions. No changes were made in the objectives, policies or process during the year ended March 31, 2025 as compared to previous year. There have been no breaches of financial covenants of any interest bearing loans and borrowings for the reported year. The Company monitors capital structure on the basis of debt to equity ratio. For the purpose of Company's capital management, equity includes paid up equity share capital and other equity, and debt comprises long term borrowings. The following table summarizes long term debt and equity of the Company.

| Particulars | ₹ in lakhs | |
|--------------------------------|----------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Long term borrowings | 10,411.80 | 3,723.11 |
| Less: Cash and cash equivalent | 69.62 | 19.89 |
| Netdebt | 10,342.18 | 3,703.22 |
| Total equity | (168.49) | (83.45) |
| Capital and net debt | 10,173.69 | 3,619.77 |
| Gearing ratio | (61.38) | (44.38) |

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.

Note : 23 - Financial instruments by category

₹ in lakhs

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|-----------------------------------|----------------------|------------------|----------------------|-----------------|
| | Amortised cost | Carrying amount | Amortised cost | Carrying Amount |
| Financial assets | | | | |
| (i) Cash and cash equivalent | 69.62 | 69.62 | 19.89 | 19.89 |
| (ii) Other financial assets | 957.68 | 957.68 | 41.21 | 41.21 |
| | 1,027.30 | 1,027.30 | 61.10 | 61.10 |
| Financial liabilities | | | | |
| (i) Borrowing | 10,411.80 | 10,411.80 | 3,723.11 | 3,723.11 |
| (ii) Trade payable | 167.04 | 167.04 | 0.90 | 0.90 |
| (iii) Other financial liabilities | 1,419.12 | 1,419.12 | 747.85 | 747.85 |
| | 11,997.96 | 11,997.96 | 4,471.86 | 4,471.86 |

(i) Fair value hierarchy

The Company uses the following hierarchy for determining and/or 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 to sell 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, other financial assets and current financial liabilities 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 borrowings, fair value is determined by using discount rates that reflect the present borrowing rate of the company.

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

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

₹ in lakhs

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|------------------------------------|----------------------|------------------|----------------------|-----------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| (i) Cash and cash equivalent | 69.62 | 69.62 | 19.89 | 19.89 |
| (ii) Other financial assets | 957.68 | 957.68 | 41.21 | 41.21 |
| Total financial assets | 1,027.30 | 1,027.30 | 61.10 | 61.10 |
| Financial liabilities | | | | |
| (i) Borrowing | 10,411.80 | 10,411.80 | 3,723.11 | 3,723.11 |
| (ii) Trade payable | 167.04 | 167.04 | 0.90 | 0.90 |
| (iii) Other financial liabilities | 1,419.12 | 1,419.12 | 747.85 | 747.85 |
| Total financial liabilities | 11,997.96 | 11,997.96 | 4,471.86 | 4,471.86 |

(iv) 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 based on market conditions existing at the end of each reporting period.



**Note : 24 - Financial risk management**

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk and interest rate 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 has not started its operation and is currently under project phase. Hence there is no significant exposure to credit risk from its operating activities. Further since significant financial assets consist of balances from related parties there is not significant exposure to credit risk from its financing activities.

(i) Financial Instruments and deposits

Credit risk pertaining to balances with banks and financial institutions is managed by the Company's treasury department in accordance with its policy. Credit risk arising from cash and cash equivalents is limited. None of the financial instruments of the Company result in material concentration of credit risks.

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 illustrated in Note 22.

(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 available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities 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.

The Company has received financial support from its Holding and and fellow subsidiaries for the establishment of the AAC Project.

(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 | 6,258.00 | - |
| Non fund based Facilities | - | - |
| | 6,258.00 | - |

Maturities of financial liabilities

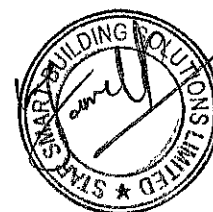
The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in lakhs

| Contractual maturities of financial liabilities - March 31, 2025 | Less than 1 year | Between 1 to 5 years | More than 5 years | Total |
|---|------------------|----------------------|-------------------|------------------|
| Borrowing | - | 10,411.80 | - | 10,411.80 |
| Trade payables | 167.04 | - | - | 167.04 |
| Other payables | 1,419.12 | - | - | 1,419.12 |
| Total financial liabilities | 1,586.16 | 10,411.80 | - | 11,997.96 |

₹ in lakhs

| Contractual maturities of financial liabilities - March 31, 2024 | Less than 1 year | Between 1 to 5 years | More than 5 years | Total |
|---|------------------|----------------------|-------------------|-----------------|
| Borrowing | - | 3,723.11 | - | 3,723.11 |
| Trade payables | 0.90 | - | - | 0.90 |
| Other payables | 747.85 | - | - | 747.85 |
| Total financial liabilities | 748.75 | 3,723.11 | - | 4,471.86 |



**(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 has no exposure to the risk of changes in foreign exchange rates. There are no foreign currency denominated balances of financial assets/liabilities lying in the books of accounts as on March 31, 2025 and March 31, 2024.

(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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings from related parties with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2025 and March 31, 2024, the Company's borrowings at variable rate were denominated in Indian Rupee (INR).

(a) Interest rate risk exposure**On Financial Liabilities:**

The exposure of the Company's 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 | 10,411.80 | 3,723.11 |
| Total borrowings | 10,411.80 | 3,723.11 |

(b) Sensitivity

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* | (52.06) | (18.62) |
| Interest expense rates – decrease by 50 basis points* | 52.06 | 18.62 |

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

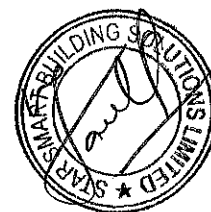
Note : 25 - Contingent liability & Capital commitments**i) Contingent Liability**

The management has done proper assessment for contingent liability at the balance sheet date and based on their assessment there is no contingent liability as on reporting date.

ii) Capital 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) | 303.72 | 1,074.63 |





Note : 26 - Employees benefit obligations

(a) Post-employment obligations

1) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972. The scheme is not funded.

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 |
| As at April 1, 2024 | | - |
| Current service cost | | 3.19 |
| Past service cost | | - |
| Interest expense | | - |
| Total amount recognised in CWIP | | 3.19 |
| Remeasurements: | | |
| Actuarial (gain)/loss from change in financial assumptions | | - |
| Actuarial (gain)/loss from unexpected experience | | - |
| Total amount recognised in other comprehensive Income | | - |
| Benefit paid | | - |
| As at March 31, 2025 | | 3.19 |

Liability recognised in the Balance Sheet

| | | ₹ in lakhs |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Present value of Defined benefit obligation | 3.19 | - |
| Liability recognised in the Balance Sheet | 3.19 | - |
| Current liability | 0.01 | - |
| Non-Current liability | 3.18 | - |

(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 | 6.67% | 0.00% |
| Salary growth rate | 7.00% | 0.00% |
| Withdrawal rate | 1%-8% | - |
| Mortality rate | IALM (2012-14) Table | - |

(iii) Sensitivity analysis

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

| Particulars | Increase/(Decrease) on defined benefit obligation | | | |
|--------------------|---|------------------|----------------------|------------------|
| | As at March 31, 2025 | | As at March 31, 2024 | |
| | 1% rate increase | 1% rate decrease | 1% rate increase | 1% rate decrease |
| Discount rate | (0.37) | 0.46 | - | - |
| Salary growth rate | 0.45 | (0.37) | - | - |
| Withdrawal rate | (0.12) | 0.15 | - | - |

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.

(iv) Risk exposure

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

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.

(v) Defined benefit liability and employer contributions

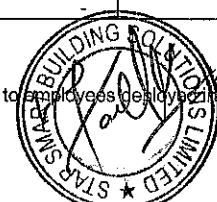
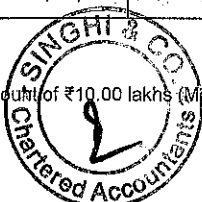
Expected contributions to post-employment benefits plans for the year ending March 31, 2026 are ₹3.42 lakhs (March 31, 2025 - NA)

The weighted average duration of the defined benefit obligation is 8.87 years (March 31, 2024: NA). The expected maturity analysis of undiscounted gratuity is as follows:

| | | ₹ in lakhs |
|----------------------|--------------------|------------|
| Particulars | | |
| As at March 31, 2025 | Less than a year | 0.01 |
| As at March 31, 2024 | Between 1- 5 years | 0.20 |
| | Over 5 years | 1.60 |

b) Defined Contribution Plan:

Contribution plan, with respect to provident fund ,pension fund and ESIC, an amount of ₹10.00 lakhs (March 31, 2024: Nil) related to employees deployed in projects, has been transferred to Capital Work-in-progress during the year.



**Note : 27 - Related party disclosures****A) List of related parties :**

| I. Names of the Related Party | Nature of relationship |
|---|--|
| Star Cement Limited (SCL) | Holding Company |
| Star Cement Meghalaya Limited (SCML) | Fellow- Subsidiary Company |
| Star Century Global Cement Private Limited (SCGCPL) | Fellow- Subsidiary Company |
| Star Cement North East Limited (SCNEL) | Fellow- Subsidiary Company |
| RI Pnar Cement Private Limited (RIPNAR) | Fellow- Subsidiary company (w.e.f June 05, 2024) |
| Kopili Cement (I) Private Limited (KOPLI) | Fellow- Subsidiary company (w.e.f September 17, 2024) |
| Others related parties | |
| II. Entities controlled/jointly controlled or significantly influenced by Key Managerial Personnel or close family member of Key Managerial Personnel of parent company: | |
| Century Infra Limited (CIL) | Entities controlled/jointly controlled or significantly influenced by Key Managerial Personnel or close family member of Key Managerial Personnel of parent company. |
| Shyam Sel & Power Limited (SSPL) | |
| III. Key Management Personnel | |
| Mr. Keshav Bhajanka | Director |
| Mrs. Nikita Bansal | Director |
| Mr. Tushar Bhajanka | Director |
| Mr. Tabrez Haroon | Company Secretary (w.e.f November 11, 2024) |

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

₹ in lakhs

| Nature of Transactions | Holding company | | Fellow Subsidiary company | | Entities controlled/jointly controlled or significantly influenced by key managerial personnel or close family member of key managerial personnel of parent company | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|-----------------------------------|
| | 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 | 276.98 | - | - | - | - | - |
| SCNEL | - | - | 68.97 | - | - | - |
| CIL | - | - | - | - | 512.00 | - |
| SSPL | - | - | - | - | 235.52 | - |
| 2. Sale of land | | | | | | |
| SCNEL | - | - | 2,028.33 | - | - | - |
| 3. Purchase of land | | | | | | |
| SCNEL | - | - | 453.57 | 645.04 | - | - |
| 4. Loan repaid | | | | | | |
| SCL | 1,808.11 | 0.39 | - | - | - | - |
| SCML | - | - | 207.60 | - | - | - |
| 5. Commission on financial guarantee received | | | | | | |
| SCL | 65.00 | - | - | - | - | - |
| 6. Loan taken | | | | | | |
| SCL | - | 1,625.00 | - | - | - | - |
| SCML | - | - | 6,462.40 | 1,915.00 | - | - |
| 7. Interest expenses | | | | | | |
| SCL | 35.03 | 127.10 | - | - | - | - |
| SCML | - | - | 524.20 | 8.59 | - | - |

C) Balance outstanding as at March 31, 2025 :

| Nature of Balances | Holding Company | | Fellow Subsidiary | | Entities controlled/jointly controlled or significantly influenced by key managerial personnel or close family member of key managerial personnel | |
|---|----------------------|----------------------|----------------------|----------------------|---|----------------------|
| | 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 |
| 1. Other payables | | | | | | |
| SCL | 444.31 | 1.13 | - | - | - | - |
| SCNEL | - | - | - | 687.31 | - | - |
| CIL | - | - | - | - | 6.19 | - |
| 2. Other receivable | | | | | | |
| SCML | - | - | - | 38.69 | - | - |
| SCNEL | - | - | 947.80 | - | - | - |
| 3. Financial guarantees received | | | | | | |
| SCL | 6,500.00 | - | - | - | - | - |
| 4. Loans taken | | | | | | |
| SCL | - | 1,808.11 | - | - | - | - |
| SCML | - | - | 10,169.80 | 1,915.00 | - | - |
| 5. Loan repaid | | | | | | |
| SCML | - | - | - | - | - | - |
| 5. Interest payable | | | | | | |
| SCML | - | - | 433.09 | - | - | - |

D) Terms and Conditions of transactions with Related Parties:

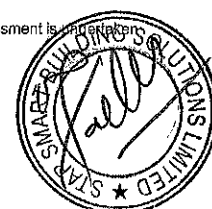
(i) The purchases transaction with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

(ii) The Company has taken Inter corporate loan from its holding company & Fellow subsidiary company, the rate of interest of which is 8.79% and 7.78% respectively (March 31, 2024 interest rate of loan from SCL & SCML was 8.49% and 7.66%)

(iii) 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.

Note: 28 - Disclosure of Corporate Social Responsibility expenditure

The Company is not required to spent any amount as corporate social responsibility expenses as per section 135 of the Companies Act, 2013.





Note: 29 - Financial ratios

₹ in lakhs

| Sl. No. | Ratio | Numerator | Denominator | FY 2024-25 | FY 2023-24 | % Variance |
|---------|---|---|--|------------|------------|------------|
| 1 | Current ratio (in times) * | Current assets | Current liabilities | 1.40 | 0.10 | 1315.66% |
| 2 | Debt- equity ratio (in times)# | Total debt (long term + short term borrowing) | Equity (share capital + other equity) | (61.79) | (44.61) | 38.51% |
| 3 | Debt-service coverage ratio (in times) | Earnings available for debt service | Debt service | 0.00 | 0.01 | -52.50% |
| 4 | Return on equity ratio (%) ** | Net profit | Average shareholders equity | 95.29% | 225.49% | -57.74% |
| 5 | Inventory turnover ratio (in times) | Sales | Inventory | - | - | - |
| 6 | Trade receivables turnover ratio (in times) | Sales | Trade receivable | - | - | - |
| 7 | Trade payables turnover ratio (in times) | Purchase | Trade payable | 0.55 | - | - |
| 8 | Net capital turnover ratio (in times) | Sales | Working capital= current assets- current liabilities | - | - | - |
| 9 | Net profit ratio (%) | Net profit | Sales | - | - | - |
| 10 | Return on capital employed (%) | Earning before interest and tax (EBIT) | Capital employed | -0.03% | 3.12% | -100.81% |
| 11 | Return on investment (%) | Gain/(loss) on investment | Average investment | NA | NA | - |

(a) Average Inventory :- (opening Inventory+closing Inventory)/2

(b) Average trade receivable :- (opening trade receivable+closing trade receivable)/2

(c) Average trade payable :- (opening trade payable+closing trade payable)/2

(d) Capital employed :- (Equity (Incl. other equity-intangible assets) + current borrowing + non-current borrowing

(e) Average shareholders equity:- (opening equity (Incl. other equity) +closing equity (Incl. other equity))/2

(f) Average Investment :- (opening investment + closing Investment)/2

(g) Debt service :- Interest payments + lease payments + principal repayments

Explanation for variances exceeding 25% :

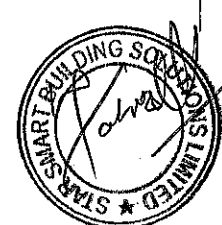
* Current Liability has increased due to liability towards land acquisition.

Company is currently under project phase which is majority funded by Debt. Interest against land is charged to statement of profit and loss since the same is not a qualifying asset. Hence, the company is currently having a negative net worth.

** There is net loss in the current year due to interest cost. In previous year no loss recorded.

Note: 30 - Other statutory information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
 - 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 to or on behalf of the Ultimate Beneficiaries.
- 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 :
 - 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.
- 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).
- There is no transactions or balances with struck off companies under section 248 of the Companies Act, 2013:
- There are no charges for which charge satisfaction/creation forms are pending to be filed with Registrar of Companies.



**Note: 31**

Currently the company is having negative net worth since the operations of the company are yet to commence. However, the company is expecting positive cashflows from operations in the coming years.

Note : 32 - Compliance under section 22 of 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 are as under:

| Particulars | ₹ in lakhs | |
|--|----------------------|----------------------|
| | 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 (Including retention money against performance) | 9.89 | - |
| (ii) Interest due on above | 0.64 | - |
| Total of (i) & (ii) | 10.53 | - |
| (i) Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act. | - | - |
| (ii) Amount paid to the suppliers beyond the respective appointed date. | 111.01 | - |
| (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. | 0.82 | - |
| (v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above | - | - |

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

Note: 33

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: 34

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 Singh & Co.
Chartered Accountants
Firm Registration No.:302049E

For & on behalf of Board of Directors of Star
Smart Building Solutions Limited
(formerly Star Cement (I) Limited)

Tushar Bhajanka
Director
DIN:09179632

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

Tabrez Haroon
Company Secretary

Nikita Bansal
Director
DIN:03109710