Independent Auditor's Report

To the Members of

Sanghi Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sanghi Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive loss, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
Claims and exposures relating to tax and legal disputes (as described in Note 3.1 and 39 of the financial statements)	
The Company is subject to significant ongoing tax and legal disputes including indirect tax, government duties, vendor disputes and other legal disputes under various laws prevailing in India before tax and other regulatory authorities/courts which could have significant financial impact if the potential exposure were to materialize.	Our audit procedures included: ▪ Obtained understanding and evaluated the company's process and controls to identify and monitor all litigations, including the process of assessment of litigations as 'probable', 'possible' and 'remote' and reporting to the board of directors / audit committee. ▪ Discussed with the management including legal head and head of taxation to obtain an understanding of the matters involved, developments in matters compared to previous year and basis of management assessment of litigations as 'probable', 'possible' and 'remote'.

Key audit matters	How our audit addressed the key audit matter
Management estimates the possible outflow of economic resources based on legal status of proceedings and legal counsel opinion. Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement and estimation is involved in assessing the potential exposure of each case and thus a higher risk involved on adequacy of provision or disclosure.	▪ Obtained and assessed management's assumptions, estimates and conclusion basis the related documentation / correspondence and opinions from external legal experts (where considered necessary) for other significant legal matters, as provided by the management. ▪ Obtained direct legal confirmations for significant matters from external law firms handling such matters to corroborate management conclusions. ▪ Assessed the objectivity and competence of the external legal experts / law firms and internal specialist as referred above. ▪ Engaged tax specialists to technically appraise the tax positions taken by management with respect to local tax issues. ▪ Obtained necessary representation from the management. ▪ Assessed the disclosures made by the Company in this regard.
Assessment of impairment of Property, Plant and Equipment (as described in Note 3(B) and 4 of the financial statements)	
Property, plant and equipment represents 82% of total assets on the balance sheet. If these were to be impaired, it would have a significant impact on the reported profit and the balance sheet position of the Company. Impairment assessment requires judgements and estimates towards future results of business including key assumptions like discount rate, growth rate etc. The carrying value of assets is considered to be a key audit matter as the amount involved is significant and there are significant assumptions and judgements inherent in impairment review.	Our audit procedures included the following: ▪ Evaluated Company's assessment of the analysis of internal and external factors impacting the entity, whether there were any indicators of impairment in line with Ind AS 36, Impairment of Assets. ▪ Obtained and assessed the process and identification of control mechanisms related to impairment tests of assets, as well as an understanding of the accounting policies and procedures, including internal control environment related to the process of assessing impairment indicators, performing of impairment tests, recognition and measurement controls. ▪ Obtained and assessed the appropriateness of the methodology used in the impairment model, the input data and underlying assumptions used such as future levels of operations, discount rate etc. and considered historical performance vis-à-vis budgets. ▪ We assessed the recoverable value by performing sensitivity testing of key assumptions used, analysed and examined the business plans approved along with assumptions and estimates used by management and tested the arithmetical accuracy of these models. ▪ Evaluated the adequacy of the disclosures made in the financial statements.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 such 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.

Responsibilities of Management 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, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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.

Those 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 objectives are 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.

- 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.
- 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial statements of the Company for the year ended March 31, 2024, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 27, 2024.

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

   (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 sub-clause 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules, 2014;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and in sub-clause 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditor's) Rules;

(g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The Company has not paid any managerial remuneration to its directors and thus, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

(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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 to the financial statements;

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

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

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 48 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("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 note 48 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("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 such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used 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 the audit trail feature is enabled, for certain direct changes to database when using certain privileged / administrative access rights which got stabilized and enabled from March 25, 2025, as described in note 52 to the financial statements.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail was enabled.

Additionally, the audit trail of relevant prior years has been preserved for record retention to the extent it was enabled and recorded in those respective years by the Company as per the statutory requirements for record retention, as described in note 52 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **Abhishek Karia**
Partner
Membership No.: 132122
UDIN: 25132122BMOEVL8973

Place of Signature: Ahmedabad
Date: April 28, 2025

Annexure 1

referred to In Paragraph 1 on our Report on other Legal and Regulatory requirements of our Independent Auditor's Report of even date of Sanghi Industries Limited for the year ended March 31, 2025

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i) (c) The title deeds of all the immovable properties as disclosed in note 4 to the financial statements are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended March 31, 2025.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification and have been properly dealt with in the books of account.

(ii) (b) As disclosed in note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from bank during the year. As per the terms of sanction letter, the working capital limit has been sanctioned on the basis of security of fixed deposits and does not include any current assets of the Company. Further, there is no requirements to file quarterly returns/statements with such bank as per the terms of sanction letter. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) During the year the Company has not granted loans, advances in the nature of loans, made investments, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of cement and related products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, service tax, excise duty, electricity duty, employees' state insurance and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Central Excise Act, 1944	Excise Duty	27.65	June 2006 to March 2010	High Court of Gujarat	
Central Excise Act, 1944	Excise Duty	17.94	January 2005 to October 2014	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	
Central Excise Act, 1944	Excise Duty	13.01	September 2002 to September 2015	Commissioner of Central Excise, Ahmedabad	
Central Excise Act, 1944	Excise Duty	1.90	August 2007 to December 2008	Central Excise and Customs Commissionerate, Rajkot	
Central Excise Act, 1944	Excise Duty	0.27	February 2016 to April 2016	Assistant Commissioner, Central Goods and Service Tax, Bhuj	
Central Excise Act, 1944	Excise Duty	0.18	October 2015 to January 2016	Superintendent Central Goods and Service Tax, Bhuj	
Central Excise Act, 1944	Excise Duty	10.45	March 2010 to February 2013	Commissioner of Central Excise and Service Tax, Gandhidham	
Central Excise Act, 1944	Excise Duty	1.57	March 2005 to March 2012	Commissioner (Appeals), Central Excise, Customs and Service Tax, Rajkot	
Finance Act, 1994	Service Tax	36.00	April 2008 to June 2015	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	
Finance Act, 1994	Service Tax	5.08	October 2015 to September 2016	Commissioner (Appeals), Central Excise, Customs and Service Tax, Rajkot	
Finance Act, 1994	Service Tax	0.56	February 2015 to June 2017	Commissioner (Appeals) of Central Goods and Service Tax & Central Excise, Ahmedabad	
Goods and Service Tax Act, 2017	Goods and Service Tax	4.60	FY 2020-21	Assistant Commissioner of State Tax, Bhuj	
Goods and Service Tax Act, 2017	Goods and Service Tax	2.03	FY 2017-18 & FY 2018-19	Joint Commissioner of State Tax / Deputy or Assistant Commissioner of Appeals, Kachchh	
Goods and Service Tax Act, 2017	Goods and Service Tax	2.28	FY 2017-18, FY 2018-19 and FY 2020-21	Joint Commissioner of State Tax, Bhuj	
Goods and Service Tax Act, 2017	Goods and Service Tax	0.53	FY 2020-21	Deputy Commissioner of State Tax, Maharashtra	
Custom Act, 1962	Custom Duty	13.91	FY 2012-13	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	
ESIC	ESIC Contributions	0.41	FY 2014-15	Industrial Court, Ahmedabad	
Electricity Duty Act	Electricity Duty	388.69	November 2005 to March 2025	High Court of Gujarat	

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix) (e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of Non-Convertible Cumulative Redeemable Preference Shares during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

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

(xvi) (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses amounting to ₹ 278.61 crores in the current year and amounting to ₹ 327.54 crores in the immediately preceding financial year respectively.

(xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns, if any, raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 50_ to the financial statements, the 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 as disclosed in note 49 to the financial statements and considering the Company's current liabilities exceeds the current assets by ₹ 10.80 crores, nothing has come to our attention, which causes us to believe that 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.

(xx) (a) As stated in note 47 to the financial statements, the provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(xx) (b) As stated in note 47 to the financial statements, the provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **Abhishek Karia**
Partner
Membership No.: 132122
UDIN: 25132122BMOEVL8973

Place of Signature: Ahmedabad
Date: April 28, 2025

Annexure 2

To the independent Auditor's report of even date on the Financial Statements of Sanghi Industries Limted

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 Sanghi Industries Limited ("the Company") as of March 31, 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over 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 the 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 these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **Abhishek Karia**
Partner
Membership No.: 132122
UDIN: 25132122BMOEVL8973

Place of Signature: Ahmedabad
Date: April 28, 2025

Balance Sheet

as at March 31, 2025

(₹ in crore)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	4	3,069.64	3,182.49
b) Right of use assets	5	20.22	2.44
c) Capital work-in-progress	4	149.38	4.03
d) Financial assets			
i) Other financial assets	6	0.51	2.24
e) Deferred tax assets (net)	7	-	36.94
f) Non-current tax assets (net)		1.35	4.50
g) Other non current assets	8	9.03	53.67
Total - Non - current assets		**3,250.13**	**3,286.31**
2 Current assets			
a) Inventories	9	315.38	138.21
b) Financial assets			
i) Trade receivables	10	57.94	-
ii) Cash and cash equivalents	11	21.72	173.29
iii) Bank balances other than cash and cash equivalents	12	0.16	0.54
iv) Other financial assets	13	39.28	17.26
c) Other current assets	14	48.64	12.61
Total - Current assets		**483.12**	**341.91**
3 Non - current assets classified as held for sale	15	-	0.08
		483.12	**341.99**
TOTAL - ASSETS		**3,733.25**	**3,628.30**
B EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	16	258.33	258.33
b) Other equity	17	354.08	852.46
Total - Equity		**612.41**	**1,110.79**
2 Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	18	2,485.00	2,081.30
ia) Lease liabilities	19	-	1.06
ii) Other financial liabilities	20	135.72	63.64
b) Provisions	21	6.20	8.29
Total - Non- current liabilities		**2,626.92**	**2,154.29**
Current liabilities			
a) Financial liabilities			
i) Lease liabilities	19	21.14	1.26
ii) Trade payables			
Total outstanding dues of micro and small enterprises	22	14.84	3.65
Total outstanding dues of creditors other than micro and small enterprises	22	88.59	54.15
iii) Other financial liabilities	23	83.78	16.27
b) Other current liabilities	24	282.45	286.88
c) Provisions	25	3.12	1.01
Total - Current liabilities		**493.92**	**363.22**
Total liabilities		**3,120.84**	**2,517.51**
TOTAL - EQUITY AND LIABILITIES		**3,733.25**	**3,628.30**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of Sanghi Industries Limited

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Ajay Kapur
Chairman
DIN: 03096416

Sukuru Ramarao
Whole-time Director
and Chief Executive Officer
DIN: 08846591

per **Abhishek Karia**
Partner
Membership No. 132122

Sanjay Khajanchi
Chief Financial Officer

Anil Agrawal
Company Secretary
Membership No: A-14063

Place: Ahmedabad
Date: April 28, 2025

Place: Ahmedabad
Date: April 28, 2025

Statement of profit and loss
for the year ended March 31, 2025

(₹ in crore)

Particulars		Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
1	**Income**			
a)	Revenue from operations	26	968.70	828.00
b)	Other income	27	38.70	5.95
	Total income		**1,007.40**	**833.95**
2	**Expenses**			
a)	Cost of materials consumed	28	102.14	68.98
b)	Purchases of stock in trade		-	2.45
c)	Changes in inventories of finished goods, work-in-progress and stock in trade	29	(27.85)	92.44
d)	Employee benefits expense	30	54.58	64.90
e)	Finance costs	31	227.79	283.59
f)	Depreciation expense	32	218.32	107.03
g)	Power and fuel		552.85	377.54
h)	Freight and forwarding expense	33	33.21	141.49
i)	Other expenses	34	186.79	161.59
	Total expenses		**1,347.83**	**1,300.01**
3	**(Loss) before exceptional items and tax (1-2)**		**(340.43)**	**(466.06)**
4	Exceptional items	46	(121.20)	17.47
5	**(Loss) before tax (3-4)**		**(461.63)**	**(448.59)**
6	**Tax expense:**			
a)	Current tax		-	-
b)	Tax adjustments related to earlier years		(0.20)	0.20
c)	Deferred tax charge		36.94	-
	Total tax expense		**36.74**	**0.20**
7	**(Loss) after tax (5-6)**		**(498.37)**	**(448.79)**
8	**Other comprehensive (loss) / income**			
	Items that will not be reclassified to profit and loss in subsequent periods:			
a)	Remeasurement (loss) / gains on defined benefit plans		(0.01)	0.45
b)	Income tax effect on above		-	-
	Other comprehensive (loss) / income for the year, net of tax		(0.01)	0.45
9	**Total comprehensive (loss) for the year, net of tax (7+8)**		**(498.38)**	**(448.34)**
10	**Earnings per share of ₹ 10 each - in ₹**			
	Basic and Diluted	35	(19.29)	(17.37)

The accompanying notes are an integral part of these Financial Statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Abhishek Karia**
Partner
Membership No. 132122

Place: Ahmedabad
Date: April 28, 2025

For and on behalf of the Board of Directors of Sanghi Industries Limited

Ajay Kapur
Chairman
DIN: 03096416

Sukuru Ramarao
Whole-time Director
and Chief Executive Officer
DIN: 08846591

Sanjay Khajanchi
Chief Financial Officer

Anil Agrawal
Company Secretary
Membership No: A-14063

Place: Ahmedabad
Date: April 28, 2025

Statement of Cash Flow

for the year ended March 31, 2025

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(461.63)	(448.59)
Adjustments to reconcile loss before tax to net cash flows		
Depreciation expenses	218.32	107.03
(Profit) / loss on sale of property, plant and equipment (net)	(10.90)	10.59
Unrealised exchange (gain) / loss (net)	0.06	0.23
Interest income	(2.52)	(2.56)
Provisions no longer required written back	(3.28)	-
Liabilities no longer required written back	(1.92)	-
Provision for slow and non moving store and spares (net)	1.41	12.73
Impairment (reversal)/ loss on trade receivables	(0.03)	1.26
Exceptional items	121.20	(17.47)
Gain on sale of current financial assets measured at FVTPL	(6.20)	(2.14)
Finance cost	227.79	283.59
Operating profit / (loss) before working capital changes	**82.30**	**(55.33)**
Changes in working capital		
Adjustments for (Increase) / Decrease in Operating Assets		
Inventories	(178.58)	29.39
Trade receivables	(57.91)	50.46
Other assets	(17.96)	50.87
Adjustments for Increase / (Decrease) in Operating Liabilities		
Trade payables	50.77	(296.37)
Other liabilities	(130.38)	(22.55)
Provisions	(0.39)	(0.14)
Cash (used in) operations	**(252.15)**	**(243.67)**
Income taxes refund/ (paid)	3.60	(1.80)
Net Cash (used in) operating activities (A)	**(248.55)**	**(245.47)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment ("PPE") and capital work-in progress (including capital advance)	(148.63)	(56.92)
Proceeds from sale of property, plant and equipment	10.98	251.56
(Investment in) / Redemption from short term bank deposits (net)	1.81	36.52
Gain on sale of current financial assets measured at FVTPL	6.20	2.14
Interest received	1.46	3.02
Net Cash (used in) / generated from Investing Activities (B)	**(128.18)**	**236.32**
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment of) Current borrowings	-	(175.50)
Receipts of Non current borrowings	2,650.00	2,132.95
(Repayment of) Non current borrowings	(2,246.30)	(1,418.60)
Payment of principal portion of lease liabilities	(23.23)	(1.43)
Finance costs paid	(155.31)	(355.90)
Net Cash generated from Financing Activities (C)	**225.16**	**181.52**

Statement of Cash Flow

for the year ended March 31, 2025

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net (decrease) / Increase in cash and cash equivalents (A+B+C)	**(151.57)**	**172.37**
Add: Cash and cash equivalents at the beginning of the year	173.29	0.92
Cash and cash equivalents at the end of the year	**21.72**	**173.29**

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows" prescribed under section 133 of the Companies Act, 2013.
2. Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

Particulars	As at April 01, 2024	Cash flow changes				Non-cash flow changes			As at March 31, 2025
		Receipts	Repayments of borrowings	Payments of principal portion of lease liabilities	Payments of interest portion of lease liabilities	Lease additions / (termination) during the year	Accruals	Changes in fair values (Including exchange rate difference) / Unwinding charges	
Non-current borrowings (Refer Note 18)	2,081.30	2,650.00	(2,246.30)	-	-	-	-	-	2,485.00
Lease Liabilities (Refer Note 44)	2.32	-	-	(23.23)	(3.04)	42.05	-	3.04	21.14
Total	**2,083.62**	**2,650.00**	**(2,246.30)**	**(23.23)**	**(3.04)**	**42.05**	**-**	**3.04**	**2,506.14**

Particulars	As at April 01, 2023	Cash flow changes				Non-cash flow changes			As at March 31, 2024
		Receipts	Repayments of borrowings	Payments of principal portion of lease liabilities	Payments of interest portion of lease liabilities	Lease additions / (termination) during the year	Accruals	Changes in fair values (Including exchange rate difference) / Unwinding charges	
Non-current borrowings (including current maturities) (Refer Note 18)	1,355.19	2,132.95	(1,418.60)	-	-	-	-	11.76	2,081.30
Current borrowings	175.50	-	(175.50)	-	-	-	-	-	-
Lease Liabilities (Refer Note 44)	17.58	-	-	(1.43)	(0.74)	(13.83)	-	0.74	2.32
Total	**1,548.27**	**2,132.95**	**(1,594.10)**	**(1.43)**	**(0.74)**	**(13.83)**	**-**	**12.50**	**2,083.62**

3. Non-cash Investing activities relating to acquisition of Right to Use assets amounting to ₹ 42.05 crore (March 31, 2024: ₹ Nil).

The accompanying notes are an integral part of these Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of Sanghi Industries Limited

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

Ajay Kapur
Chairman
DIN: 03096416

Sukuru Ramarao
Whole-time Director
and Chief Executive Officer
DIN: 08846591

per **Abhishek Karia**
Partner
Membership No. 132122

Sanjay Khajanchi
Chief Financial Officer

Anil Agrawal
Company Secretary
Membership No: A-14063

Place: Ahmedabad
Date: April 28, 2025

Place: Ahmedabad
Date: April 28, 2025

Statement of changes in equity
for the year ended March 31, 2025

A. Equity share capital and Other equity

(₹ in crore)

Particulars	Equity Share Capital (Refer note - 16)		Reserves & Surplus (Refer note - 17)			Total
	No. of Share	Amount	Security Premium	Capital redemption reserve	Retained earnings	
Balance as at April 01, 2024	258,326,000	258.33	452.01	84.84	315.61	1,110.79
Additions:						
Changes during the year	-	-	-	-	-	-
Loss for the year	-	-	-	-	(498.37)	(498.37)
Other comprehensive (loss) (net of tax) for the year	-	-	-	-	(0.01)	(0.01)
Total	-	-	-	-	(498.38)	(498.38)
Balance as at March 31, 2025	**258,326,000**	**258.33**	**452.01**	**84.84**	**(182.77)**	**612.41**

(₹ in crore)

Particulars	Equity Share Capital (Refer note - 16)		Reserves & Surplus (Refer note - 17)			Total
	No. of Share	Amount	Security Premium	Capital redemption reserve	Retained earnings	
Balance as at April 01, 2023	258,326,000	258.33	452.01	84.84	763.95	1,559.13
Additions:						
Changes during the year	-	-	-	-	-	-
Loss for the year	-	-	-	-	(448.79)	(448.79)
Other comprehensive income (net of tax) for the year	-	-	-	-	0.45	0.45
Total	-	-	-	-	(448.34)	(448.34)
Balance as at March 31, 2024	**258,326,000**	**258.33**	**452.01**	**84.84**	**315.61**	**1,110.79**

There are no changes due to prior period errors or changes in accounting policy.

The accompanying notes are an integral part of these Financial Statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Abhishek Karia**
Partner
Membership No. 132122

Place: Ahmedabad
Date: April 28, 2025

For and on behalf of the Board of Directors of Sanghi Industries Limited

Ajay Kapur
Chairman
DIN: 03096416

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Whole-time Director
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DIN: 08846591

Sanjay Khajanchi
Chief Financial Officer

Anil Agrawal
Company Secretary
Membership No: A-14063

Place: Ahmedabad
Date: April 28, 2025

Notes to financial statements
as at and for the year ended on March 31, 2025

1. Corporate information

Sanghi Industries Limited ('the Company or "Sanghi") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

During the year ended March 31, 2025, the Company has changed it's registered office to Adani Corporate House, Shantigram, Near Vaishnav Devi Circle, S.G. Highway, Khodiyar, Ahmedabad, Gujarat 382421 from Sanghinagar P.O., Hayatnagar Mandal, R.R.District, Telangana - 501 511, India.

The Company's CIN: L18209GJ1985PLC157787.

The Company has cement project located at Sanghipuram, Gujarat with a combined installed and commissioned cement capacity of 6.1 MTPA as at March 31, 2025.

The Company's principal activity is to manufacture and market cement and cement related products.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on April 28, 2025.

2. Statement of compliance and basis of preparation

A. Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') 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 (as amended from time to time), (Ind AS compliant Schedule III).

The financial statements have been prepared on going concern basis using historical cost, except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments,

b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and,

Financial statements are presented in INR (₹) (Indian Rupees) which is the functional currency, and all values are rounded off to two decimals to the nearest crore as per the requirement of Schedule III to the Companies Act, 2013, except where otherwise indicated.

The financial statements provide comparative information in respect of the previous period. The accounting policies are applied consistently to all the periods presented in the financial statements.

3. Summary of material accounting policies

A. Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and accumulated impairment losses, if any, except freehold non-mining land which is carried at cost less accumulated impairment losses.

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 at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for provisions are met.

Spares which meet the definition of property, plant and equipment are capitalised as on the date of acquisition. The corresponding old spares are derecognized on such date with consequent impact in the statement of profit and loss.

Property, plant and equipment which are not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Directly attributable expenditure related to and

Notes to financial statements

as at and for the year ended on March 31, 2025

incurred during implementation of Capital projects to get the assets ready for intended use and for a qualifying assets is included under “Capital work-in-Progress (including related project inventories)”. The same is allocated to the respective items of Property Plant and Equipment on completion of construction (development of projects). Capital work in progress is stated at cost, net of accumulated impairment loss, if any. 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".

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Depreciation on property, plant, and equipment

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation is calculated using “Written down value method” for assets related to Captive Power Plant and using “Straight line method” for other assets.

The Company identifies and depreciates cost of each component / part of the asset separately, if the component / part has a cost, which is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining asset.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

Capitalised spares are depreciated over their own estimated useful life or the estimated useful life of the parent asset whichever is lower.

The Company reviews the residual value, useful lives and depreciation method on each reporting date and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Estimated useful lives of the assets are as follows:

Assets	Useful lives
Buildings	3 – 60 years
Jetty and break water	3 – 60 years
Plant and equipment	8 – 30 years
Furniture and fixtures, Electrical installation, office equipment and tools	5 – 15 years
Vehicles	8 – 10 years
Components and lab equipments	3 – 10 years

The useful life for captive power plant related assets which are depreciated as per written down value method are as follows.

Assets	Useful lives
Plant & Machinery	40 years

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 recognized in the Statement of Profit and Loss when the asset is derecognised.

B. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss, if any, is recognised

Notes to financial statements

as at and for the year ended on March 31, 2025

in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of or Group of assets. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the non-current assets been tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. In determining fair value less costs of disposal, recent market transactions are taken into account. A previously recognised impairment loss, if any, is reversed when there is an indication of reversal, however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

C. Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

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

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition and includes non-refundable taxes. Materials and other items held for use in the production of finished goods 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 a moving weighted average basis.

The Company conducts regular reviews of stores and spares inventory ageing to identify slow-moving and non-moving items. Inventories with limited movement and low anticipated future utility are appropriately classified. The Company applies established provisioning norms to write down the value of such inventories, based on the ageing analysis.

II. Work-in-progress and finished goods:

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a moving weighted average basis.

Net realisable 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.

D. Fair value measurement

The Company measures its financial instruments at fair value at each balance sheet date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to

Notes to financial statements

as at and for the year ended on March 31, 2025

the fair value measurement as a whole) at the end of each reporting period.

All assets and liabilities for which fair value is measured as disclosed in the financial statements are categorised within the fair value hierarchy described in Note 36.

E. Financial instruments

Financial assets and financial liabilities are initially measured at fair value with the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the statement of profit and loss.

I. Financial assets

a. Initial recognition and measurement of financial assets

The Company recognises a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis, i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (G) Revenue from contracts with customers.

b. Subsequent measurement of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of Financial assets

For purposes of subsequent measurement, financial assets are classified in the following categories:

Financial assets measured at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method ("EIR") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets that meet the criteria for initial recognition at FVTOCI are remeasured at fair value at the end of each reporting date through other comprehensive income (OCI).

Notes to financial statements

as at and for the year ended on March 31, 2025

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL.

c. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

d. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company measures the loss allowance for a Trade Receivables and Contract Assets by following 'simplified approach' at an amount equal to the lifetime expected credit losses. In case of other financial assets 12-month ECL is used to provide for impairment loss and where credit risk has increased significantly, lifetime ECL is used.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

II. Financial liabilities and equity instruments

a. Financial liabilities

i. Initial recognition and measurement

The Company recognises financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. The Company's financial liabilities majorly includes loans and borrowings, trade and payables towards purchase of Property, Plant and Equipment.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

ii. Subsequent measurement of financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

iii. Subsequent measurement of financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities

Notes to financial statements

as at and for the year ended on March 31, 2025

held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss account.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition at fair value, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

iv. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

III. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

F. Provisions and contingencies

I. Provisions

Mines reclamation

The Company provides for the costs of restoring a mine where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a mine-by-mine basis and are calculated based on the present value of estimated future cash outflows.

The restoration provision before exploitation of the raw materials has commenced is included in Property, Plant and Equipment and depreciated over the life of the related asset.

The effect of any adjustments to the provision due to further environmental damage as a result of exploitation activities is recorded through the Statement of Profit and Loss over the life of the related asset, in order to reflect the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the cost of the related asset to the extent that they relate to the asset's installation, construction or acquisition.

Provisions are discounted to their present value. The unwinding of the discount is recognised as a finance cost in the Statement of Profit and Loss.

Notes to financial statements

as at and for the year ended on March 31, 2025

Other provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

II. Contingent liability

A contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events and that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

G. Revenue recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange of those goods or services.

I. Sale of goods

Revenue from the sale of the goods is recognised at the point in time when delivery has taken place and control of the goods has been transferred to the customer according to the specific delivery term that have been agreed with the customer and when there are no longer any unfulfilled obligations.

Revenue is measured after deduction of any discounts and any taxes or duties collected on behalf of the government such as goods and services tax, etc. The Company accrues for discounts based on historical experience and specific contractual terms with the customer.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 0 to 30 days depending on the specific terms agreed with customers.

II. Contract assets Trade receivables and Contract liabilities:

Contract asset:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of consideration is due and the amount is billable.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

III. Interest income

Interest income from a financial asset is recognised 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.

Notes to financial statements

as at and for the year ended on March 31, 2025

H. Retirement and other employee benefits

I. Defined contribution plan

Employee benefits in the form of contribution to Provident Fund managed by government authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plans and the same are charged to the statement of profit and loss for the year in which the employee renders the related service.

II. Defined benefit plan

The Company's gratuity fund scheme, additional gratuity scheme and post-employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at the balance sheet date.

Employee benefit, in the form of contribution to provident fund is charged to statement of profit and loss for the year in which the employee renders the related service.

Past service costs are recognised in the statement of profit and loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Interest expense or income

c) Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

III. Short term employee benefits

Short term employee 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 as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

IV. Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss. Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Long service awards and accumulated compensated absences which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are treated as other long term employee benefits for measurement purposes.

V. Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the short term and long-term provisions have been made as determined by an actuary. Obligations under other long-term benefits are classified as short-term provision, if the Company does not have an unconditional right to defer the settlement of the obligation beyond 12 months from the reporting date. The Company presents the entire compensated absences as short-term provisions since employee has an unconditional right to avail the leave at any time during the year.

Notes to financial statements

as at and for the year ended on March 31, 2025

I. Taxation

Tax expense includes current income tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

I. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognise expense where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

The Company applies significant judgment in identifying uncertainties over income tax treatments. Uncertain tax positions are reflected in the overall measurement of the Company's tax expense and are based on the most likely amount or expected value that is to be disallowed by the taxing authorities whichever better predict the resolution of uncertainty. Uncertain tax balances are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration.

J. Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to financial statements

as at and for the year ended on March 31, 2025

I. Company as a lessee:

Right-of-use assets

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset:

Right of use assets	Terms (in years)
Plant and Equipment	4
Ships	2

The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The Company uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payments which the Company is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in the Statement of Profit or Loss.

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. For lease arrangement in respect of ships, the non-lease components are not separated from lease components and instead account for each lease component, and any associated non-lease component as a single lease component.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made.

ROU asset and lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets. In making this assessment, the Company also factors below key aspects:

a) the assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.

b) the assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.

c) the lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not highly dependent on or interrelated with other assets.

Notes to financial statements

as at and for the year ended on March 31, 2025

d) if asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

II. Company as a lessor:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease.

K. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

L. Foreign currencies translations

The Company's financial statements are presented in (₹), which is also the Company's functional currency.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences on monetary items are recognised in profit and loss in the period in which they arise.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

M. Borrowing Costs

Borrowing costs are recognised in statement of profit and loss in the period in which they are incurred. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

N. Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and investment in liquid mutual funds that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

O. Classification of current and non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Balance sheet.

P. Exceptional Items

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

3.1 Use of estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the accompanying

Notes to financial statements

as at and for the year ended on March 31, 2025

disclosures, and the disclosure of contingent liabilities. 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 key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

I. Classification of legal matters and tax litigations (Refer Note 39)

The litigations and claims to which the Company is exposed to are assessed by management with assistance of the legal department and in certain cases with the support of external specialised lawyers. Determination of the outcome of these matters into “Probable, Possible and Remote” require judgement and estimation on case to case basis.

II. Defined benefit obligations (Refer Note 43)

The cost of defined benefit gratuity plans, and post-retirement medical benefit is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

III. Useful life of property, plant and equipment (Refer Note 4)

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

IV. Impairment of Property, plant and equipment (Refer Note 4)

Determining whether the property, plant and equipment are impaired requires an estimate of the value of use. In considering the value in use, the management has anticipated the capacity utilization of plants, operating margins, mineable resources and availability of infrastructure of mines, and other factors of the underlying businesses / operations. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of property, plant and equipment.

V. Physical verification of Inventory (Refer Note 9)

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

VI. Deferred tax assets (Refer Note 7)

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under the Income Tax Act, 1961. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can

Notes to financial statements

as at and for the year ended on March 31, 2025

be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

VII. For key estimates and judgements related to fair values Refer Note 36.

3.2 New and Amended Standards:

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2025, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

The following amendments are effective from April 1, 2024:

Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

Additionally, amendments have been made to Ind AS 101, First-time Adoption of Indian Accounting Standards, Ind AS 103, Business Combinations, Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, Ind AS 107, Financial Instruments: Disclosures, Ind AS 109, Financial Instruments and Ind AS 115, Revenue from Contracts with Customers to align them with Ind AS 117. The amendments also introduce enhanced disclosure requirements, particularly in Ind AS 107, to provide clarity regarding financial instruments associated with insurance contracts.

Amendments to Ind AS 116 -Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of use asset it retains.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have impact on the Company's Financial Statements.

Notes to financial statements

Note 4. Property, plant and equipment

₹ in crore

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value		
	As at April 01, 2024	Additions	Less: Deductions / Transfers	As at March 31, 2025	As at April 01, 2024	Depreciation charge for the year	Less: Deductions / Transfers	Reclassification Adjustment	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Freehold non-mining land	369.55	-	-	369.55	-	-	-	-	-	369.55	369.55
Building	541.50	1.97	-	543.47	89.72	14.57	-	-	104.29	439.18	451.78
Jetty & break water	219.79	-	-	219.79	129.10	30.14	-	-	159.24	60.55	90.69
Plant and equipment	3,421.65	75.04	-	3,496.69	1,159.49	143.13	-	-	1,302.62	2,194.07	2,262.16
Furniture and fixtures	14.13	0.94	-	15.07	10.51	2.11	-	-	12.62	2.45	3.62
Vehicles	1.09	0.66	-	1.75	0.75	0.13	-	-	0.88	0.87	0.34
Office equipment	41.05	2.61	0.02	43.64	36.70	3.97	-	-	40.67	2.97	4.35
Total	**4,608.76**	**81.22**	**0.02**	**4,689.96**	**1,426.27**	**194.05**	**-**	**-**	**1,620.32**	**3,069.64**	**3,182.49**

₹ in crore

Particulars	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 01, 2023	Additions	Less: Deductions / Transfers	As at March 31, 2024	As at April 01, 2023	Depreciation charge for the year	Less: Deductions / Transfers	Reclassification Adjustment	As at March 31, 2024	As at March 31, 2024
Freehold non-mining land	332.67	37.46	0.58	369.55	-	-	-	-	-	369.55
Building	550.15	2.00	10.65	541.50	89.66	10.76	10.70	-	89.72	451.78
Leasehold improvements	4.87	-	4.87	-	2.03	0.12	2.15	-	-	-
Jetty & break water	162.72	57.07	-	219.79	123.45	5.65	-	-	129.10	90.69
Plant and equipment	3,406.53	116.21	101.09	3,421.65	1,156.55	86.58	83.64	-	1,159.49	2,262.16
Furniture and fixtures	23.22	0.06	9.15	14.13	12.28	0.82	7.96	5.37	10.51	3.62
Vehicles	14.98	-	13.89	1.09	11.61	0.57	12.13	0.70	0.75	0.34
Office equipment	69.04	-	27.99	41.05	67.48	0.75	25.46	(6.07)	36.70	4.35
Total	**4,564.18**	**212.80**	**168.22**	**4,608.76**	**1,463.06**	**105.25**	**142.04**	**-**	**1,426.27**	**3,182.49**

Notes:

i) Refer Note 40 regarding Capital Commitment for Property, plant & equipment

ii) On transition to Ind AS in earlier year, the Company had elected to continue with the carrying value of all Property, plant and equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipments.

iii) During the year ended March 31, 2025, the Company has reassessed useful life of Property, Plant & Equipment and depreciation method for Power Plant based on internal and external technical evaluation. Due to said changes in estimates, the depreciation expenses for the year ended March 31, 2025 is higher by ₹ 58.19 crore. Further, the Company has re-assessed the residual value of Property, Plant & Equipment during the year. Consequently, the depreciation expenses for the year ended March 31, 2025 is higher by ₹ 12.75 crore.

The Property, Plant and Equipment for which useful life and method of depreciation has been reassessed will be depreciated as per revised useful life and method in future periods.

iv) The integrated cement manufacturing unit of the Company is determined as a single CGU by the management. The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to the cash flow projections for impairment testing during the current year is 12.01% which is considered reasonable by the management. The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 4%. This growth is the same as the long-term average growth rate for industry. As a result of the assessment, management did not identify impairment for this CGU.

Key assumptions used for the purpose of valuation are: Sales rate, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), Growth rates used to extrapolate cash flows beyond the forecast period, Weighted Average Cost of Capital (WACC).

On a careful evaluation of the aforesaid assumptions, the management of the Company has concluded that the recoverable value of CGU exceeds the carrying amount of the assets as at March 31, 2025 and hence the assets are not impaired. However, if the foresaid assumptions were to change in future, there could be corresponding impact on the recoverable amount.

v) There are no pre-operative expense and finance cost capitalised during the year ended March 31, 2025 and March 31, 2024.

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as at and for the year ended on March 31, 2025

vi) Capital work in progress

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Capital work in progress	149.38	4.03
Total	149.38	4.03

Notes:

a) It comprises of various projects and expansions spread over unit including capital dredging carried out at captive jetty.

b) Movement in capital work in progress

₹ in Crore

Particulars	
Opening balance as on April 01, 2023	**42.21**
Add - Additions during the year	174.62
Less - Capitalised during the year	(212.80)
Closing balance as on March 31, 2024	**4.03**
Add - Additions during the year	226.57
Less - Capitalised during the year	(81.22)
Closing balance as on March 31, 2025	**149.38**

c) Ageing schedule of capital work in progress (CWIP):

₹ in Crore

Particulars	Amount of 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					
Project in progress	149.38	-	-	-	149.38
Total	**149.38**	**-**	**-**	**-**	**149.38**

₹ in Crore

Particulars	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Project in progress	4.03	-	-	-	4.03
Total	**4.03**	**-**	**-**	**-**	**4.03**

d) The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan.

e) There are no pre-operative expense and finance cost capitalised in capital work in progress during the year ended March 31, 2025 and March 31, 2024.

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 5. Right of use assets

₹ in Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2024	Additions	Less: Deductions / Transfers	As at March 31, 2025	As at April 01, 2024	Depreciation charge for the year	Less: Deductions / Transfers	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Right of use assets										
Plant & equipment	6.96	-	-	6.96	4.52	1.39	-	5.91	1.05	2.44
Ships	-	42.05	-	42.05	-	22.88	-	22.88	19.17	-
Total	**6.96**	**42.05**	**-**	**49.01**	**4.52**	**24.27**	**-**	**28.79**	**20.22**	**2.44**

₹ in Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value
	As at April 01, 2023	Additions	Less: Deductions / Transfers	As at March 31, 2024	As at April 01, 2023	Depreciation charge for the year	Less: Deductions / Transfers	As at March 31, 2024	As at March 31, 2024
Right of use assets									
Building	15.18	-	15.18	-	2.84	0.39	3.23	-	-
Plant & equipment	6.96	-	-	6.96	3.13	1.39	-	4.52	2.44
Total	**22.14**	**-**	**15.18**	**6.96**	**5.97**	**1.78**	**3.23**	**4.52**	**2.44**

Note 6. Other non current financial assets

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Bank deposits with remaining maturity of more than 12 months	0.51	2.24
Total	**0.51**	**2.24**

Note 7. Deferred tax asset/ (Liabilites)

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (DTA)		
Unabsorbed depreciation and business losses (Refer Note (i) and (ii) below)	277.06	336.03
Provision for Electricity duty	53.99	8.77
Other temporary differences	13.02	16.87
Total Deferred tax assets (DTA) - A	**344.07**	**361.67**
Deferred tax liabilities (DTL)		
Difference between book base and tax base of property, plant and equipment	(344.07)	(324.73)
Deferred tax liabilities (DTL) - B	**(344.07)**	**(324.73)**
Net deferred tax assets (A + B)	**-**	**36.94**

Notes to financial statements

as at and for the year ended on March 31, 2025

The major components of deferred tax liabilities / assets on account of temporary differences are as follows:

₹ in Crore

Particulars	As at April 01, 2024	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at March 31, 2025
Deferred tax liabilities, on account of				
Difference between book base and tax base of property, plant and equipment	324.73	19.34	-	344.07
Deferred tax assets, on account of				
Unabsorbed depreciation and business losses (Refer Note (i) and (ii) below)	(336.03)	58.97	-	(277.06)
Provision for Electricity duty	(8.77)	(45.22)	-	(53.99)
Other temporary differences	(16.87)	3.85	-	(13.02)
Net deferred tax assets (A + B)	**(36.94)**	**36.94**	**-**	**-**

₹ in Crore

Particulars	As at April 01, 2023	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at March 31, 2024
Deferred tax liabilities, on account of				
Difference between book base and tax base of property, plant and equipment	324.73	-	-	324.73
Deferred tax assets, on account of				
Unabsorbed depreciation and business losses (Refer Note (i) and (ii) below)	(336.03)	-	-	(336.03)
Provision for Electricity duty	(8.77)	-	-	(8.77)
Other temporary differences	(16.87)	-	-	(16.87)
Net deferred tax assets (A + B)	**(36.94)**	**-**	**-**	**(36.94)**

Notes:

i) The Company had recognised net deferred tax asset of ₹ 36.94 Crore in the form of unabsorbed depreciation, carried forward losses and other temporary disallowances under Income Tax Act as at March 31, 2024. During the year, the Company has re-assessed carrying value of deferred tax assets in the books by restricting the deferred tax asset to the extent of deferred tax liabilities. The Company has determined that there is no reasonable certainty that the deferred tax assets will be utilised in the near future. Accordingly, deferred tax asset of ₹ 36.94 Crore has been reversed in the current year.

ii) Details of Unabsorbed Depreciation on which deferred tax asset not recognised is as follows:

₹ in Crore

Particulars	Amount
Unabsorbed Depreciation	745.58
Total	**745.58**

iii) For the A.Y. 2017-18, there is ongoing litigation related to Specified Domestic Transaction related to adjustment on transfer of power from eligible unit to non-eligible unit under Section 80IC of the Income Tax Act amounting to ₹ 155.81 crores. Currently, the Income Tax Appellate Tribunal (ITAT) has adjudicated the matter in favor of revenue department vide order dated 23 January 2025. Management aggrieved by the order passed by ITAT, is in the process

Notes to financial statements

as at and for the year ended on March 31, 2025

to contest the matter in the Gujarat High Court and as per the management's risk assessment based on the merits of the case, it is assessed as "possible" risk category and hence the same is contingent on actual outcome. However, the Company has accumulated brought-forward business losses and unabsorbed depreciation exceeding the amount under dispute for the particular Assessment Year under dispute. Accordingly, any potential disallowance would only lead to a reduction in carried forward losses and there will not be any cash outflow even in case the decision comes against the Company. Also, there will not be any deferred tax asset impact on financials items since no asset has been created on such carried unabsorbed depreciation as mentioned in note (ii) above. Hence, management has not disclosed the same as contingent liability in the financial statements.

iv) The major component of income tax expenses for the year ended March 31, 2025 and March 31, 2024 are as under

a) Tax Expense reported in the Statement of Profit and Loss

₹ in Crore

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax (net)		
Current tax charges	-	-
Adjustment in respect of Tax Expense relating to earlier years	(0.20)	0.20
Deferred tax charge		
Reversal of Deferred tax assets (Refer note (i) above)	36.94	-
Total Tax Expense	**36.74**	**0.20**

b) Reconciliation of tax expense and the profit multiplied by income tax rate

₹ in Crore

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	₹ in crore	In %	₹ in crore	In %
Profit before tax expenses	**(461.63)**		**(448.59)**	
Tax expenses at statutory income tax rate	(116.19)	25.17%	(112.91)	25.17%
Adjustments of tax related to earlier years	(0.20)	0.04%	0.20	(0.04%)
losses on which no deferred tax assets has been recognised	116.19	(25.17%)	112.91	(25.17%)
Reversal of Deferred tax assets (Refer note (i) above)	36.94	(8.00%)	-	-
Tax expenses	36.74		0.20	
Tax expenses reported in statement of profit or loss	**36.74**	**(7.96%)**	**0.20**	**(0.04%)**

c) The rate used for the calculation of Deferred tax is 25.17% for the year ended March 31, 2025 and March 31, 2024.

Note 8. Other non current assets

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Deposit against Government dues / liabilities	7.04	46.02
Capital advances	1.99	7.65
Total	**9.03**	**53.67**

Notes to financial statements
as at and for the year ended on March 31, 2025

Note 9. Inventories

(At lower of cost and net realisable value)

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	23.89	7.81
Fuel stock (Includes material in transit ₹ 0.09 crore) (March 31, 2024 ₹ 19.89 crore)	192.51	84.98
Work-in-progress	36.71	1.24
Finished goods	10.50	18.12
Stores, spares and components (including in transit ₹ 0.59 crore) (March 31, 2024 ₹ 0.31 crore)	51.77	21.18
Packing materials	-	4.88
Total	**315.38**	**138.21**

Notes:

a) During the year ended March 31, 2025, the company has recognised ₹ 1.41 crore (March 31, 2024 ₹ 12.73 crore) as an expense for provision related to slow and non-moving stores and spares inventory.

b) Provision for slow and non moving store and spares as at March 31, 2025 is ₹ 14.14 crore (March 31, 2024 ₹ 12.73 crore).

Note 10. Trade receivables

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	57.94	-
Unsecured, Receivables which have significant increase in credit risk	1.61	1.64
Less : Allowance for expected credit loss (Refer Note 37(B))	(1.61)	(1.64)
Total	**57.94**	**-**

Notes to financial statements

as at and for the year ended on March 31, 2025

Notes:

a) Trade receivable ageing schedule is as given below:

i) Balance as at March 31, 2025

₹ in Crore

Particulars	Outstanding for following periods from the due date					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	Total
Undisputed Trade receivables – considered good	57.94	-	-	-	-	57.94
Undisputed Trade Receivables – which have significant increase in credit risk	-	0.31	0.21	0.07	1.02	1.61
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**57.94**	**0.31**	**0.21**	**0.07**	**1.02**	**59.55**
Less : Allowance for expected credit loss	-	(0.31)	(0.21)	(0.07)	(1.02)	(1.61)
Total	**57.94**	**-**	**-**	**-**	**-**	**57.94**

ii) Balance as at March 31, 2024

₹ in Crore

Particulars	Outstanding for following periods from the due date					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	Total
Undisputed Trade receivables – considered good	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	0.11	0.27	0.04	0.11	1.11	1.64
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**0.11**	**0.27**	**0.04**	**0.11**	**1.11**	**1.64**
Less : Allowance for expected credit loss	(0.11)	(0.27)	(0.04)	(0.11)	(1.11)	(1.64)
Total	**-**	**-**	**-**	**-**	**-**	**-**

Notes to financial statements

as at and for the year ended on March 31, 2025

b) There are no unbilled trade receivables, hence the same is not disclosed in the ageing schedules.

c) For terms and conditions with related parties, Refer Note 42.

d) The Company does not give significant credit period resulting in no significant financing component. The credit period on an average ranges from 0 to 30 days.

e) No trade receivables are due from directors or other officers of the Company, either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies, respectively in which any director is a partner, a director or a member other than as disclosed in Note 42.

f) Refer Note 37(B) for information about credit risk of trade receivables.

Note 11. Cash and cash equivalents

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	21.72	64.14
Investments in liquid mutual funds measured at FVTPL (Unquoted and fully paid)	-	109.15
Total	**21.72**	**173.29**

Note 12. Bank balances other than cash and cash equivalents

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Other Bank Balance		
Deposits with original maturity for more than three months but less than twelve months	0.16	0.54
Total	**0.16**	**0.54**

Note 13. Other current financial assets

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security deposits	0.32	0.80
Bank deposits with remaining maturity of less than 12 months (Refer note below)	16.50	16.20
Interest accrued on bank deposits	1.07	0.26
Other non trade receivables (Refer Note 42)	21.39	-
Total	**39.28**	**17.26**

Note:

Bank deposit of ₹ 15 crore (March 31, 2024: ₹ Nil) given as security against the credit arrangement for overdraft facility.

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 14. Other Current assets

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
Advance to suppliers	26.75	11.96
Balances with statutory / Government authorities	19.66	-
Prepaid expenses	2.15	0.65
Others	0.08	-
Total	**48.64**	**12.61**

Note 15 - Non current assets classified as held for sale

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Freehold Land	-	0.08
Total	**-**	**0.08**

Note:

During the year, the Company sold a land for ₹ 10.98 Crore, having book value ₹ 0.08 Crore which was classified as held for sale as at March 31, 2024. The resultant gain of ₹ 10.90 Crore has been disclosed in the statement of profit and loss under the head other income.

Note 16. Equity share capital

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised share capital		
35,00,00,000 (March 31, 2024 - 35,00,00,000) Equity shares of ₹ 10/- each	350.00	350.00
2,00,00,000 (March 31, 2024 - 2,00,00,000) Preference shares of ₹ 100/- each	200.00	200.00
	550.00	**550.00**
Issued share capital		
25,83,26,000 (March 31, 2024 - 25,83,26,000) Equity shares of ₹ 10/- each	258.33	258.33
	258.33	**258.33**
Subscribed and Fully paid up share capital		
25,83,26,000 (March 31, 2024 - 25,83,26,000) Equity shares of ₹ 10/- each	258.33	258.33
	258.33	**258.33**
Total share capital	**258.33**	**258.33**

Notes to financial statements
as at and for the year ended on March 31, 2025

Notes:

A) Reconciliation of equity shares outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	258,326,000	258.33	258,326,000	258.33
Changes during the year	-	-	-	-
At the end of the year	**258,326,000**	**258.33**	**258,326,000**	**258.33**

B) Terms, Rights and restrictions attached to equity shares

The company has one class of equity shares having par value of ₹ 10 per share. Each member is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

C) Equity shares held by Holding Company / Ultimate Holding Company and / or their Subsidiaries

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Ambuja Cements Limited (Holding Company)		
150,045,102 (March 31, 2024 - 156,137,102) equity shares of ₹ 10/- each fully paid	150.05	156.14

i) During the year ended March 31, 2024, In terms of Share Purchase Agreement (SPA) dated August 3, 2023 as amended, entered amongst (a) the Company (b) Certain Members of Erstwhile Promoters Group of the Company and (c) Ambuja Cements Limited (Acquirer), Acquirer has acquired 140,821,941 Equity Shares constituting 54.51% of Equity Share Capital of Company on December 6, 2023. Consequently, the Board of Directors was reconstituted on December 7, 2023. The Acquirer had made an Open Offer to Public Shareholders of the Company for acquiring upto 67,164,760 Equity Shares constituting about 26% of the paid-up equity share capital of the Company, wherein 20,481,161 Equity shares (i.e. 30.49% of the Offer size and 7.93% of the Paid-up Capital) were tendered by public shareholders. Post this Open Offer, the shareholding of the Acquirer increased to 161,303,102 Equity shares (i.e. 62.44%) resulting in increase in the overall shareholding of promoter group to 80.52%. In order to achieve the Minimum Public Shareholding (MPS), the Acquirer during the year sold 5,166,000 Equity shares (i.e. 2%) in Open Market. Post selling of the shares, Acquirer held 156,137,102 Equity shares (i.e. 60.44%) of the Company during the year and the overall shareholding of Promoter Group was 202,836,040 Equity shares (i.e. 78.52%) as on March 31, 2024.

ii) During the year ended March 31, 2025, in order to achieve the Minimum Public Shareholding, the Acquirer and Mr. Ravi Sanghi (erstwhile promoter) sold 60,92,000 and 30,00,000 equity shares respectively aggregating to 90,92,000 Equity Shares (representing 3.52% of the Paid-up Equity Share Capital of the Company) through offer for sale through stock exchange mechanism. Post successful completion of Offer for Sale, the Promoter Shareholding has reduced from 78.52% to 75% of the Paid-up Equity Share Capital of the Company and Company has achieved the MPS requirements, as mandated under Rules 19(2) (b) and 19A of the Securities Contracts (Regulations) Rules, read with Regulation 38 of the SEBI Listing Regulations.

Notes to financial statements

as at and for the year ended on March 31, 2025

D) The details of shareholders holding more than 5 % of shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
Ambuja Cements Limited (Holding Company)	150,045,102	58.08	156,137,102	60.44
	150,045,102	**58.08**	**156,137,102**	**60.44**

As per the records of the Company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholdings represent both legal and beneficial ownership of shares.

E) Details of shares held by promoters

Promoter Name	No. of Shares as at March 31, 2024	Change during the year	No. of Shares as at March 31, 2025	% of Total Shares	% change during the year
Ambuja Cements Limited	156,137,102	(6,092,000)	150,045,102	58.08%	(3.90%)
Mr. Ram Sharan Sanghi	187,000	-	187,000	0.07%	-
Mr. Ravi Sanghi	5,412,800	(3,000,000)	2,412,800	0.93%	(55.42%)
Mr. Gireesh Sanghi	1,342,478	-	1,342,478	0.52%	-
Mrs. Kamala Rani Sanghi	140,250	-	140,250	0.05%	-
Mrs. Alka Sanghi	1,074,150	-	1,074,150	0.42%	-
Ms. Aarti Sanghi	343,750	-	343,750	0.13%	-
Mr. Gireesh Sanghi HUF	7,866,000	-	7,866,000	3.04%	-
Mr. Ashish Sanghi	2,639,710	-	2,639,710	1.02%	-
Mr. Gaurav Sanghi	2,647,300	-	2,647,300	1.02%	-
SZF Private Limited	6,884,000	-	6,884,000	2.66%	-
Sanghi Threads Private Limited	1,754,000	-	1,754,000	0.68%	-
Sanghi Filaments Private Limited	2,287,500	-	2,287,500	0.89%	-
Sanghi Poly Zips Private Limited	1,482,500	-	1,482,500	0.57%	-
Sanghi Synthetics Private Limited	1,675,000	-	1,675,000	0.65%	-
Alpha Zippers Private Limited	1,675,000	-	1,675,000	0.65%	-
Fancy Zippers Private Limited	1,468,750	-	1,468,750	0.57%	-
Balaji Zippers Private Limited	2,775,000	-	2,775,000	1.07%	-
SKK Zippers Private Limited	3,575,000	-	3,575,000	1.38%	-
Maruti Fastners Private Limited	1,468,750	-	1,468,750	0.57%	-
Total	**202,836,040**	**(9,092,000)**	193,744,040	**75.00%**	

Notes to financial statements

as at and for the year ended on March 31, 2025

Promoter Name	No. of Shares as at March 31, 2023	Change during the year	No. of Shares as at March 31, 2024	% of Total Shares	% change during the year
Ambuja Cements Limited	-	156,137,102	156,137,102	60.44%	100.00%
Mr. Ram Sharan Sanghi	187,000	-	187,000	0.07%	-
Mr. Ravi Sanghi	49,869,750	(44,456,950)	5,412,800	2.10%	(89.00%)
Mr. Gireesh Sanghi	1,342,478	-	1,342,478	0.52%	-
Mrs. Kamala Rani Sanghi	140,250	-	140,250	0.05%	-
Mrs. Anita Sanghi	1,020,200	(1,020,200)	-	-	(100.00%)
Mrs. Alka Sanghi	1,074,150	-	1,074,150	0.42%	-
Ms. Ekta Sanghi	343,750	(343,750)	-	0.00%	(100.00%)
Ms. Aarti Sanghi	343,750	-	343,750	0.13%	-
Mr. Gireesh Sanghi HUF	7,866,000	-	7,866,000	3.04%	-
Mr. Aditya Sanghi	8,892,500	(8,892,500)	-	-	(100.00%)
Mr. Alok Sanghi	8,892,500	(8,892,500)	-	-	(100.00%)
Mr. Ashish Sanghi	2,639,710	-	2,639,710	1.02%	-
Mr. Gaurav Sanghi	2,647,300	-	2,647,300	1.02%	-
SZF Private Limited	6,884,000	-	6,884,000	2.66%	-
Sanghi Threads Private Limited	1,754,000	-	1,754,000	0.68%	-
Sanghi Filaments Private Limited	2,287,500	-	2,287,500	0.89%	-
Sanghi Poly Zips Private Limited	1,482,500	-	1,482,500	0.57%	-
Sanghi Synthetics Private Limited	1,675,000	-	1,675,000	0.65%	-
Alpha Zippers Private Limited	1,675,000	-	1,675,000	0.65%	-
Fancy Zippers Private Limited	1,468,750	-	1,468,750	0.57%	-
Balaji Zippers Private Limited	2,775,000	-	2,775,000	1.07%	-
SKK Zippers Private Limited	3,575,000	-	3,575,000	1.38%	-
Maruti Fastners Private Limited	1,468,750	-	1,468,750	0.57%	-
Sanghi Polymers Private Limited	4,700,000	(4,700,000)	-	-	(100.00%)
Samruddhi Investors Services Private Limited	61,533,791	(61,533,791)	-	-	(100.00%)
Flarezeal Solution LLP	4,000,000	(4,000,000)	-	-	(100.00%)
Thinkfar Tradelink Private Limited	7,326,000	(7,326,000)	-	-	(100.00%)
Total	**187,864,629**	**14,971,411**	202,836,040	**78.52%**	

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 17. Other equity

(Refer Statement of changes in equity for movement in other equity balances)

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	452.01	452.01
Capital redemption reserve	84.84	84.84
Retained earnings	(182.77)	315.61
Total other equity	**354.08**	**852.46**

Description of Reserve

a) Security premium

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

b) Capital redemption reserve

In accordance with applicable provisions of the Companies Act, 2013 read with the rules, Company has created Capital Redemption Reserve by transferring from retained earnings and the same will be utilized in accordance with the provisions of the Companies Act, 2013.

c) Retained earnings

Retained earnings are the profits that Company has earned till date. Retained earnings includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to the Statement of Profit and Loss.

Note 18. Financial Liabilities: Borrowings

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured borrowing at amortized cost		
a) 5,00,10,146 8% Non-Convertible Redeemable Preference shares (Refer Note (ii) below and Note 42)	2,200.00	-
b) Loan from related party (Refer Note (i), (iii) below and Note 42)	285.00	2081.30
Total	**2,485.00**	**2,081.30**

Notes:

i) Unsecured loan from Ambuja Cements Limited (Holding Company), carry an interest rate of 8% p.a. and are due for repayment on April 30, 2026.

ii) During the year, the Company has issued 2,200,000,000 8% Non Convertible Redeemable Preference Shares (NCRPS) of face value ₹ 10 each to Ambuja Cements Limited (Holding Company) in four tranches of ₹ 500 crore each and one tranche of ₹ 200 crore aggregating upto ₹ 2,200 crore redeemable within 7 years from date of allotment or at any point of time earlier with the request from either party at its nominal value in full or in tranches without any pre-payment charges. The dividend is cumulative and payable along with principal.

iii) During the current year, the Company has repaid outstanding loan of March 31, 2024 amounting to ₹ 2,081.30 crore.

iv) The borrowings do not carry any covenants and the Company has not defaulted on any repayments of borrowings and interest thereon.

Notes to financial statements
as at and for the year ended on March 31, 2025

v) The Company has been sanctioned overdraft facility of ₹ 12.50 crores from bank during the year. As per the terms of sanction letter, the working capital limit has been sanctioned on the basis of security of fixed deposits (refer note - 13) and does not include security of any current assets of the Company. Further, as per the terms of sanction letter, there is no requirement to file quarterly returns/statements with bank and there are no covenants attached to the sanctioned facility.

Note 19. Lease liabilities

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Non current lease liabilities (Refer Note 44)	-	1.06
Current lease liabilities (Refer Note 44)	21.14	1.26
Total	**21.14**	**2.32**

Note 20. Other non current financial liabilities

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings (Refer Note 18 and 42)		
Interest accrued on Loans	6.81	63.64
Dividend accrued on 8% Non-Convertible Redeemable Preference shares	128.91	-
Total	**135.72**	**63.64**

Note 21. Non current provisions

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits		
Provision for gratuity (Refer Note 43)	4.01	4.75
Provision for Compensated absences (Refer Note 43)	-	1.46
Other provisions		
Other	-	0.05
Mines reclamation expenses	2.19	2.03
Total	**6.20**	**8.29**

Notes:

a) Movement of provisions during the year as required by Indian Accounting Standard (Ind AS) 37 "Provisions, Contingent Liabilities and Contingent Assets"

Notes to financial statements

as at and for the year ended on March 31, 2025

Provision for mines reclamation expenses

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	2.03	0.20
Add: Provision during the year	0.16	1.83
Less: Utilisation during the year	-	-
Closing balance	**2.19**	**2.03**

Mines reclamation expenses are incurred on an ongoing basis until the respective mines are not fully restored, in accordance with the requirements of the mining agreement. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses.

Note 22. Trade payables

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables		
Total outstanding dues of micro and small enterprises	14.84	3.65
Total outstanding dues of creditors other than micro and small enterprises	88.59	54.15
Total	**103.43**	**57.80**

Notes:

a) For terms and conditions with related parties, Refer Note 42

b) Trade payables mainly include amount payable to vendors for supply of goods and services in whose case credit period allowed is 0-180 days.

c) Ageing schedule:

i) Balance as at March 31, 2025

₹ in Crore

Particulars	Not Due (including Accrued Expenses)	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed -Micro and Small enterprises	14.84	-	-	-	-	14.84
(ii) Undisputed -Other than Micro and Small enterprises	44.22	24.60	0.46	0.05	19.26	88.59
(iii) Disputed dues – Micro and Small enterprises	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**59.06**	**24.60**	**0.46**	**0.05**	**19.26**	**103.43**

Notes to financial statements

as at and for the year ended on March 31, 2025

ii) Balance as at March 31, 2024

₹ in Crore

Particulars	Not Due (including Accrued expense)	Outstanding for following Periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed -Micro and Small enterprises	3.60	0.05	-	-	-	3.65
(ii) Undisputed -Other than Micro and Small enterprises	29.19	9.81	7.28	4.20	3.67	54.15
(iii) Disputed dues – Micro and Small enterprises	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**32.79**	**9.86**	**7.28**	**4.20**	**3.67**	**57.80**

Total outstanding dues of micro and small enterprises

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Details of due to Micro and Small Enterprises as defined under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of the suppliers (Refer note (a) below)		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal	14.84	3.65
Interest	-	-
b) The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
Principal	-	-
Interest	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note:

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.

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 23. Other current financial liabilities

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Financial liabilities at amortised cost		
Payable for capital goods	81.15	8.89
Security deposits from customers and contractors/transporters	0.02	7.10
Payable to employees	2.61	0.28
Total	**83.78**	**16.27**

Note 24. Other current liabilities

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Contract liability (Refer Note (a) below)		
Advance from customers	11.22	94.34
Other liabilities		
Statutory dues payable	13.03	22.71
Other payable (including payables for disputed liabilities)	258.20	169.83
Total	**282.45**	**286.88**

Note:

a) The contract liability outstanding at the beginning of the year has been recognised as revenue / written back / refunded during the year.

Note 25. Current provisions

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (Refer Note 43)	1.26	0.74
Provision for compensated absences (Refer Note 43)	1.86	0.27
Total	**3.12**	**1.01**

Notes to financial statements
as at and for the year ended on March 31, 2025

Note 26. Revenue from operations

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from contracts with customers		
Sale of manufactured products	962.60	820.17
Other operating revenues		
Scrap sales	2.82	3.51
Provisions no longer required written back	3.28	-
Other operating income (includes insurance claims and others)	-	4.32
Total	**968.70**	**828.00**

Notes:

a) Reconciliation of revenue as per contract price and as recognised in the Statement of Profit and Loss:

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue as per contract price	962.60	831.90
Less: Discounts and incentives*	(0.00)	(11.73)
Revenue from contract with customers	**962.60**	**820.17**

*₹ 0.00 represents the amount less than ₹ 50,000/-

b) The following table provides information about trade receivables and contract liabilities from the contracts with customers :

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Trade Receivables (Refer Note 10)	57.94	-	51.72
Contract Liabilities (Refer Note 24)	11.22	94.34	27.79

The contract liabilities primarily relate to the advance consideration received from the customers.

c) Performance obligation:

All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch or delivery. The Company does not have any remaining performance obligation for sale of goods or services which remains unsatisfied as at March 31, 2025 or March 31, 2024. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

d) Disaggregation of revenue - Refer Note 41 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 27. Other income

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Other income		
Interest income on:		
Bank deposits	1.88	2.56
Income tax refund	0.25	-
Other	0.39	-
Other non-operating income (net)		
Gain on sale of current financial assets measured at FVTPL(net)	6.20	2.14
Gain on sale of property, plant and equipment (net)	10.90	-
Foreign exchange gain (net)	0.47	-
Ship subletting income (Refer Note 42 and Note (b) below)	13.18	-
Liabilities no longer required written back	1.92	-
Insurance claims	3.51	-
Miscellaneous income	-	1.25
Total	**38.70**	**5.95**

Notes:

a) These instruments are mandatorily measured at fair value through profit or loss in accordance with Ind AS 109.

b) Income from subleasing represents subletting of Right to use assets (Ships) during the year to related party and third party.

Note 28. Cost of materials consumed

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Inventories at the beginning of the year	7.81	10.14
Add: Purchases during the year	118.22	66.65
	126.03	**76.79**
Less : Inventories at the end of the year	(23.89)	(7.81)
Cost of materials consumed	**102.14**	**68.98**

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 29. Changes in inventories of finished goods and work-in-progress

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Inventories at the end of the year (a)		
Finished goods	10.50	18.12
Work-in-progress	36.71	1.24
	47.21	**19.36**
Inventories at the beginning of the year (b)		
Finished goods	18.12	101.29
Work-in-progress	1.24	10.51
	19.36	**111.80**
(Increase) / Decrease in inventories (b-a)	**(27.85)**	**92.44**

Note 30. Employee benefit expense

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Salaries and wages	37.25	53.65
Contribution to provident fund and other funds (Refer Note 43)	1.71	0.82
Gratuity expenses (Refer Note 43)	0.50	7.88
Reimbursement of salary cost (Refer Note 42)	12.71	-
Staff welfare expenses	2.41	2.55
Total	**54.58**	**64.90**

Note 31. Finance costs

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Interest on:		
Loans (Refer Note 42)	74.34	278.67
Lease liabilities (Refer Note 44)	3.04	0.74
Defined benefit obligation (net) (Refer Note 43)	0.40	0.52
Others (Including interest on electricity duty and other interest on litigated liabilities)	21.10	3.66
Dividend on 8% Non-Convertible Redeemable Preference shares (Refer Note 42)	128.91	-
Total	**227.79**	**283.59**

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 32. Depreciation expenses

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer Note 4)	194.05	105.25
Depreciation on Right-of-use assets (Refer Note 5)	24.27	1.78
Total	**218.32**	**107.03**

Note 33. Freight and forwarding expenses

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
On finished products	20.39	134.61
On internal material transfer	12.82	6.88
Total	**33.21**	**141.49**

Note 34. Other expenses

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Consumption of packing material	19.05	16.72
Consumption of stores and spares	47.03	44.24
Repairs to plant and machinery, buildings and others	48.42	18.42
Audit fees (Refer below note (a) below)	0.51	0.44
Insurance	5.34	5.06
Foreign exchange loss (net)	-	0.23
Loss on sale of property, plant and equipment (net)	-	10.59
Legal and professional Expenses	4.14	11.55
Conveyance and travelling	1.76	5.10
Rent expenses (Refer Note 44)	13.39	1.79
Rates and taxes	5.27	5.32
Sales and promotion expenses	-	6.54
Contractual manpower expenses	23.96	11.06
Provision for slow and non-moving store and spares (net)	1.41	12.73
Miscelleneous expense (Refer Note (b) below)	16.51	11.80
Total	**186.79**	**161.59**

Notes to financial statements

as at and for the year ended on March 31, 2025

Notes

a) Payment to statutory auditors as under (Including fees for erstwhile auditor)

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Statutory audit fees	0.20	0.18
Special purpose audit fees	-	0.21
Limited review fees	0.29	0.05
Other services	0.01	-
Reimbursement of expenses	0.01	-
	0.51	**0.44**

b) Miscellaneous expenses:

i) Does not include any item of expenditure with a value of more than 1% of Revenue from operations.

ii) Includes expenses towards outsource service, security charges, printing and stationery and other adminstrative expenses.

Note 35. Earnings per share

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
(i) (Loss) attributable to equity shareholders of the company for Basic and Diluted (EPS) (₹ in crore)	(498.37)	(448.79)
(ii) Weighted average number of equity shares used for computing Basic and Diluted (EPS)	258,326,000	258,326,000
Face value of equity per share - in ₹	**10.00**	**10.00**
Earnings per share Basic and Diluted - in ₹	**(19.29)**	**(17.37)**

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 36. Financial instruments – Fair values and risk management

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A) Classification of financial assets and liabilities

₹ in Crore

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
Trade receivables	57.94	57.94	-	-
Cash and cash equivalents	21.72	21.72	64.14	64.14
Bank balance and other cash equivalents	0.16	0.16	0.54	0.54
Other financial assets (current and non current)	39.79	39.79	19.50	19.50
	119.61	**119.61**	**84.18**	**84.18**
b) Measured at fair value through profit and loss (FVTPL)				
Investments in liquid mutual funds#	-	-	109.15	109.15
	-	**-**	**109.15**	**109.15**
Total (a + b)	**119.61**	**119.61**	**193.33**	**193.33**
Financial liabilities				
a) Measured at amortised cost				
Borrowings	2,485.00	2,485.00	2,081.30	2,081.30
Trade payables	103.43	103.43	57.80	57.80
Lease liabilties	21.14	21.14	2.32	2.32
Other financial liabilities (current and non current)	219.50	219.50	79.91	79.91
Total (a)	**2,829.07**	**2,829.07**	**2,221.33**	**2,221.33**

#Considered as cash and cash equivalent

Notes to financial statements

as at and for the year ended on March 31, 2025

B) Income and expenses on financial instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit and Loss are as follows:

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Income on financial instruments		
Financial assets measured at amortised cost		
Interest income on bank deposits	1.88	2.56
Financial assets measured at fair value through profit and loss		
Gain on sale of current financial assets measured at FVTPL(net)	6.20	2.14
Total (A)	**8.08**	**4.70**
Expenses on financial instruments		
Financial liabilities measured at amortised cost		
Interest expenses on loans	74.34	278.67
Interest expenses on lease liabilities	3.04	0.74
Other interest expenses	21.10	3.66
Dividend on 8% Non-Convertible Redeemable Preference shares	128.91	-
Total (B)	**227.39**	**283.07**
Net expenses recognised in the statement of profit and loss (A - B)	**(219.31)**	**(278.37)**

C) Fair value measurements

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

a) 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.

b) Level 2

This level includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c) Level 3

This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes to financial statements

as at and for the year ended on March 31, 2025

D) Fair value hierarchy

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024	Level	Valuation techniques and key inputs
Financial assets				
a) Measured at fair value through profit and loss (FVTPL)				
Investments in liquid mutual funds	-	109.15	2	Investment in liquid and short term mutual funds which are classified as FVTPL are measured using net assets value as declared by the mutual fund at the reporting date multiplied by the quantity held.

Note:

a) **There was no transfer between level 1 and level 2 fair value measurement.**

b) **Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

In the Company's opinion, the carrying amount of other financial assets, trade receivables, cash and cash equivalents (excluding investments in liquid mutual funds), bank balances other than cash and cash equivalents, other financial liabilities (excluding derivative financial instruments) and trade payable recognised in the financial statement approximate their fair values largely due to the short-term maturities of these instruments.

Note 37. Financial risk management objectives and policies

The Company has a system-based approach to risk management, established policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks such as market risk, credit risk and liquidity risk that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

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

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks a) commodity price risk b) currency risk and c) interest rate risk. Financial instruments affected by market risk comprise deposits, investments, trade payables.

The Company's investments are predominantly held in bank deposits and liquid mutual funds. Mark to market movements in respect of the Company's investments are valued through the Statement of Profit and Loss. Bank deposits are held with highly rated banks and are not subject to interest rate volatility. The Company's borrowings from the Holding Company are at fixed rate of interest so there is no interest rate risk related to borrowings.

Notes to financial statements

as at and for the year ended on March 31, 2025

Assumption made in calculating the sensitivity analysis

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post - retirement obligations and provisions.

a) Commodity risk

Commodity price risk for the Company is mainly related to fluctuations in fuel prices linked to various external factors, which can affect the production cost of the Company. Since the energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to a drop in operating margin. To manage this risk, the Company takes following steps:

i) Optimizing the fuel mix, pursue longer term and fixed contracts where considered necessary.

ii) Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal.

iii) Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar and wind power.

Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirements are monitored by the central procurement team.

b) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relate to import of raw materials, fuels and capital items. The Company has not used derivative financial instruments either for hedging purpose or for trading or speculative purposes except for forward contracts executed for LC opened in foreign currency.

The carrying amounts of the Company's foreign currency denominated monetary assets at the end of the reporting periods expressed in ₹, are as follows:

₹ in Crore

As at March 31, 2025	GBP	EUR	USD
Trade payables	0.21	1.24	0.18

₹ in Crore

As at March 31, 2024	GBP	EUR	USD
Trade payables	-	-	13.34

The following significant exchange rates have been applied during the period.

₹ in Crore

Particulars	Spot rate	
	As at March 31, 2025	As at March 31, 2024
GBP	110.70	NA
EUR	92.09	NA
USD	85.48	83.37

The following tables demonstrate the sensitivity into a reasonably possible change in exchange rates, with all other variables held constant. A positive number below indicates an decrease in loss where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the loss and the balances below would be negative.

Notes to financial statements
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₹ in Crore

	As at March 31, 2025		As at March 31, 2024	
	5% strengthening of	5% weakening of	5% strengthening of	5% weakening of
GBP	0.01	(0.01)	-	-
EUR	0.06	(0.06)	-	-
USD	0.01	(0.01)	0.67	(0.67)
Effect on loss before tax	**0.08**	**(0.08)**	**0.67**	**(0.67)**

5% represent management assessment of reasonably possible change in foreign currency exchange rate.

c) 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 is having all fixed rate borrowing as at date and accordingly there is no exposure to interest rate risk.

B) Credit risk

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

Financial assets for which loss allowance is measured using lifetime Expected Credit Losses (ECL)

₹ in Crore

Particular	Note	As at March 31, 2025	As at March 31, 2024
Trade receivables	10	1.61	1.64

Trade receivables

Trade receivables of the Company are from related parties. Trade receivables are due for less than one year while the Company is regularly receiving its dues from related parties, accordingly in relation to these dues, the Company does not foresee any Credit risk. The loss allowance represents aged trade receivables from third parties for the sales made in earlier years.

Financial assets other than trade receivables

The exposure to the Company arising out of this category consists of balances with banks, investments in liquid mutual funds and other receivables which do not pose any material credit risk. Such exposure is also controlled, reviewed and approved by the management of the Company on routine basis. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

Credit risk on cash and cash equivalent. deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic credit rating agencies.

Investments of surplus funds are made only with approved financial Institutions. Investments primarily include investment in units of liquid mutual funds and fixed deposits with banks having low credit risk.

Investments in liquid mutual funds as on March 31, 2025 are ₹ Nil (March 31, 2024: ₹ 109.15 crore)

Notes to financial statements
as at and for the year ended on March 31, 2025

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

Credit Impaired
For expected credit loss as at each reporting date, the Company assesses position for the assets for which credit risk has not significantly increased from initial recognition, assets for which credit risk has increased significantly but are not credit impaired and for assets for which credit risk has increased significantly and are credit impaired. The Company assesses detrimental impacts on the estimated future cash flows of the financial asset including receivables and other assets. Based on the assessment of the observable data relating to significant financial difficulty and creditworthiness of the counterparties, the management believes that there are no financial assets which are credit impaired except as disclosed in the notes to the financial statements.

Movement in expected credit loss

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1.64	0.38
Add: provided during the year	-	1.26
Less : reversal of provisions	(0.03)	-
Balance at the end of the year	**1.61**	**1.64**

C) Liquidity risk
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company has invested in short term liquid funds which can be redeemed on a very short notice and hence carried negligible liquidity risk.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on undiscounted contractual payments.

As at March 31, 2025

₹ in Crore

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	More than 5 years
Financial liabilities					
Borrowings (Refer note – 18)	2,485.00	2,485.00	-	285.00	2,200.00
Trade payables (Refer note – 22)	103.43	103.43	103.43	-	-
Lease liabilities (Refer note – 19)	21.14	21.91	21.91	-	-
Other financial liabilities (Refer note – 20 and 23)	219.50	219.50	83.78	6.81	128.91
	2,829.07	**2,829.84**	**209.12**	**291.81**	**2,328.91**

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As at March 31, 2024

₹ in Crore

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	More than 5 years
Financial liabilities					
Borrowings (Refer note – 18)	2,081.30	2,081.30	-	2,081.30	-
Trade payables (Refer note – 22)	57.80	57.80	57.80	-	-
Lease liabilities (Refer note – 19)	2.32	2.54	1.44	1.10	-
Other financial liabilities (Refer note – 20 and 23)	79.91	79.91	16.27	63.64	-
	2,221.33	**2,221.55**	**75.51**	**2,146.04**	**-**

Note 38. Capital Management

a) The Company's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework.

b) The management of the Company reviews the capital structure of the Company on regular basis to optimise cost of capital. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

c) The Company has borrowings from Holding Company as appearing in note 18 which carries intretest @ 8 % p.a. The Company expects to meet its capital requirement through internal accruals going forward and will continue to have support from Holding Company

The Company's adjusted net long term debt to equity ratio at March 31, 2025 was as follows:

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Total debts (Refer Note 18)	2,485.00	2,081.30
Less: Cash and cash equivalents (Refer Note 11)	(21.72)	(173.29)
Net debt	**2,463.29**	**1,908.01**
Total equity (Refer Note 16 and 17)	612.41	1,110.79
Net Debt to Equity	4.02	1.72

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as at and for the year ended on March 31, 2025

Note 39. Contingent Liabilities
The claims against the company not acknowledged as debt amount to ₹ 257.53 crore (March 31, 2024: ₹ 100.32 crore) excluding interest and penalty thereon as may be decided at the time of disposal of the claim. Against above, the Company has deposited a sum of ₹ 0.35 crore (March 31, 2024: ₹ 4.23 crore) with respective authorities as deposit under protest.

₹ in Crore

Particulars	Brief description of contingent liabilities	As at March 31, 2025	As at March 31, 2024
Excise Duty	Demand of Duty on Clinker Transfer value & CVD on Coal Classification, use of capital goods and steel items.	14.07	21.43
Excise Duty	Demand of excise duty on the sales tax incentive obtained by the Company.	10.45	-
Excise Duty	Denial of Cenvat Credit on Coal	3.37	-
Excise Duty	Cleared goods to SEZ-Duty under rule 6(3)(b) without payment of duty.	1.90	-
Customs	Demand of custom duty on imported steam coal.	13.91	12.41
GST	Demand of GST for availing ineligible Input credit.	7.16	0.81
Gujarat Water Supply and Sewerage Board	Dispute for breach of conditions of Water Supply agreement.	26.38	26.38
Land Revenue Tax	Claim for Non Agricultural (NA) charges on limestone mining lease.	1.17	1.17
Electricity Duty (Refer Note (ii))	Claim for electricity duty on account of dispute with regard to exemption period.	174.15	20.77
ESIC	Claim for arrears of ESI contribution for the period from July 2014 to June 2015. The Company has filed application u/s 75 of ESI Act before Employee's Insurance Court, Ahmedabad.	0.35	0.35
GST Compensation Cess (Refer Note (iii))	Claim of Cess Refund against Zero Rated Supply under GST.	2.28	2.28
Other Claims against the Company	Other miscellaneous commercial claims.	2.34	14.72
Total		**257.53**	**100.32**

Notes:

i) In terms of above matters, future cash outflows are determinable only on receipt of judgements pending at various forums / authorities.

ii) The Company has ongoing litigation with Chief Commissioner of State Tax, Government of Gujarat under Electricity Duty Act regarding the exemption period from payment of electricity duty. The Company had started generating electricity in November 1995 using DG Sets for the purpose of construction of cement plant in November 1995 basis

Notes to financial statements

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which an application was filed with Electricity Department seeking an exemption for payment of electricity duty for a period of 10 years as per then prevailing provisions of the Gujarat Electricity Duty Act, 1958. In August 1997, Company's application for exemption for payment of Electricity Duty was rejected by Electricity Department on the grounds that the Company had not commenced cement manufacturing activities.

The Company commenced cement manufacturing in April 2002 and reapplied for the exemption of electricity duty for the period starting April 2002 to March 2012. Against company's application, the electricity department issued exemption certificate for the period of April 2002 to November 2005, interpreting that exemption would be applicable from the date of commissioning of DG sets i.e. from November 1995 and not manufacturing date and also in view of the authority issued demand of ₹ 3.30 crore vide orders dated March 02, 2006 and April 1, 2006, for the period of November 18, 2005, to February 2006.

The Company filed writ petition challenging department's demand orders claiming that the Company is entitled to exemption from the payment of electricity duty for a period of 10 years from March 2002 on the basis of Section 3(2)(vii) of the Electricity Act with Hon'ble Gujarat High Court in year 2006. The Hon'ble High Court of Gujarat, in their interim order dated May 5, 2006, granted ad-interim relief in the matter.

Since the matter is sub-judice, there is no open demand from the electricity department for the period upto March 2012. Based on management assessment and the advice of external legal counsel, the Company believes it has a strong case on merits for successful appeal in this matter. The Company has recognised a provision of ₹ 43.90 crore (related to principal portion of duty for the period 2007 to 2012) and an amount of ₹ 174.15 crore is disclosed as contingent liability towards interest for the dispute period for the year ended March 31, 2025.

For the period post April 2012, pursuant to a demand of ₹ 161.95 crore (including interest) raised by Chief Commissioner of State Tax, Gujarat, vide letter dated July 16, 2024, the Company has recognised a provision of ₹ 170.62 crore (including interest) in the books against the demand till March 31, 2025, pending payment of demand. Accrual of provision of ₹ 119.81 crore and ₹ 62.72 crore (including interest) has been disclosed as exceptional expense for the year ended March 31, 2025 and March 31, 2024, respectively.

Further, the Company, as per the terms of Share Purchase Agreement (SPA) dated August 3, 2023, entered between the Promoters of Sanghi Industries Limited, Sanghi Industries Limited (the "Company" or "SIL"), and Ambuja Cements Limited, the Company has raised indemnity claims amounting to ₹ 84.31 crore against the demand raised by authorities for the period post April 2012. Management, as per the terms of SPA, also has rights to raise further claims for the period pre-2012, in case the matter is ruled against the Company and demand is raised by the authorities.

The Company has made detailed review of its pending litigation & disputed matters. Based on such review, provision for probable matters amounting to ₹ 121.20 crore (March 31, 2024 ₹ 104.49) is made in the financials and same has been disclosed as exceptional items, and it includes provision of electricity duty demand which the Company is litigating with Chief Commissioner of State Tax. The litigation is with regards to computation of duty and interest thereon. Pending settlement, the Company has accounted for provisions of ₹ 119.81 Crores (March 31, 2024 ₹ 62.72 crores) (including interest) as an exceptional item (Refer Note 46).

iii) The Company has applied for the refund for the GST Compensation Cess amounting to ₹ 2.28 crores which is currently shown under the balance with government authorities in financial statements. The same was rejected by the department and the matter is currently under litigation by the Company. The management has assessed the risk category of the litigation as Possible.

Notes to financial statements
as at and for the year ended on March 31, 2025

Note 40. Capital Commitments

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	2.62	32.15
Total	**2.62**	**32.15**

Note 41. Segment reporting

(a) Description of segments and principal activities

The principal business of the Company is manufacturing and sale of cement and cement related products. The Management Committee of the Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Cement and Cement Related Products which is considered to constitute one single primary segment.

(b) Geographical Information

₹ in Crore

	Revenues from customers		Non-current assets	
Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024	As at March 31, 2025	As at March 31, 2024
Within India	968.70	828.00	3,248.27	3,242.63
Outside India	-	-	-	-
Total	**968.70**	**828.00**	**3,248.27**	**3,242.63**

All the non current assets are located within India. Non-current assets for this purpose excludes Income tax assets, Deferred tax assets and Financial Assets.

(c) Information about major customers

There are two customers who account for 10 per cent or more of entity's revenue amounting to ₹ 870.92 crore (March 31, 2024 ₹ 314.31 crore)

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Note 42. Related party disclosure

(A)	Details of Transactions relating to Ultimate Holding and Holding Companies	Nature of Relationship
1	Ambuja Cements Limited	Holding Company
2	Holderind Investments Limited, Mauritius	Entity having significant influence on Ambuja Cements Limited
3	Endeavour Trade and Investment Limited	Holding Company of Holderind Investments Limited, Mauritius
4	Xcent Trade and Investment Limited	Ultimate Holding Company
(B)	**Names of the Related parties where control / joint control exists:**	
1	As on March 31, 2025, the company has no subsidiary, associate and joint venture companies.	
(C)	**Others - With whom transactions have taken place during the current and/or previous year or has outstanding balances:**	
(a)	**Names of other Related parties**	**Nature of Relationship**
1	ACC Limited	Fellow Subsidiary
2	Adani Cement Industries Limited	Entities over which key management personnel/their relatives having control / significant influence
3	Adani Enterprises Limited	Entities over which key management personnel/their relatives having control / significant influence
4	Adani Ports and Special Economic Zone Limited	Entities over which key management personnel/their relatives having control / significant influence
5	Adani Power Limited	Entities over which key management personnel/their relatives having control / significant influence
6	Adani Global PTE Limited	Entities over which key management personnel/their relatives having control / significant influence
7	Adani Total Gas Limited	Entities over which key management personnel/their relatives having control / significant influence
8	Adani Kandla Bulk Terminal Private Limited	Entities over which key management personnel/their relatives having control / significant influence
9	Adani Logistics Limited	Entities over which key management personnel/their relatives having control / significant influence
10	Gujarat Adani Institute of Medical Science	Entities over which key management personnel/their relatives having control / significant influence
11	Belvedere Golf and Country Club Private Limited.(BGCCPL)	Entities over which key management personnel/their relatives having control / significant influence
12	Penna Cement Industries Limited	Entities over which key management personnel/their relatives having control / significant influence
13	Mundra Petrochem Limited	Entities over which key management personnel/their relatives having control / significant influence
14	Adani Estate Management Private Limited	Entities over which key management personnel/their relatives having control / significant influence
15	Adani New Industries Limited	Entities over which key management personnel/their relatives having control / significant influence
16	Navi Mumbai International Airport Private Limited	Entities over which key management personnel/their relatives having control / significant influence

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17	Adani Airport Holdings Limited	Entities over which key management personnel/their relatives having control / significant influence
18	Adani Infrastructure and Developers Private Limited	Entities over which key management personnel/their relatives having control / significant influence
19	Adani Estate Management Private Limited	Entities over which key management personnel/their relatives having control / significant influence
20	Penna Cement Industries Limited	Entities over which key management personnel/their relatives having control / significant influence
21	Adani Hazira Port Limited	Entities over which key management personnel/their relatives having control / significant influence
22	Adani Krishnapatnam Port Limited	Entities over which key management personnel/their relatives having control / significant influence
23	Adani Road Transport Limited	Entities over which key management personnel/their relatives having control / significant influence
24	Adani Green Energy Limited	Entities over which key management personnel/their relatives having control / significant influence
25	Gare Palma II Collieries Private Limited	Entities over which key management personnel/their relatives having control / significant influence
26	Adani Digital Labs Private Limited	Entities over which key management personnel/their relatives having control / significant influence
27	Lucknow International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
28	Guwahati International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
29	Mangaluru International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
30	Jaipur International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
31	Mumbai International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
32	Adaniconnex Private Limited	Entities over which key management personnel/their relatives having control / significant influence
33	Agnel Developers LLP	Entities over which key management personnel/their relatives having control / significant influence
34	Portsmouth Buildcon Private Limited	Entities over which key management personnel/their relatives having control / significant influence
35	Adani Infra (India) Limited	Entities over which key management personnel/their relatives having control / significant influence
36	The Dhamra Port Company Limited	Entities over which key management personnel/their relatives having control / significant influence
37	TRV Kerala International Airport Limited	Entities over which key management personnel/their relatives having control / significant influence
38	Kutch Copper Limited	Entities over which key management personnel/their relatives having control / significant influence

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(D)	**In accordance with the provisions of Ind AS 24 "Related Party Disclosures", following Personnel are considered as Key Management Personnel (KMP).**	
(a)	**Name of the Related Parties:**	**Nature of Relationship**
1	Mr. Ajay Kapur	Non-executive Non-Independent Director w.e.f 07.12.2023
2	Mr. Vinod Bahety	Non-executive Non-Independent Director w.e.f 07.12.2023
3	Mr. Sukuru Ramarao	Executive Director (Whole Time Director) & Chief Executive Officer w.e.f 07.12.2023
4	Mr. Ravi Kapoor	Non-Executive Independent Director w.e.f 07.12.2023
5	Mrs. Shruti Shah	Non-executive Independent Director w.e.f 07.12.2023
6	Mr. Sudhir Nanavati	Non-Executive Independent Director
7	Mr. Sanjay Khajanchi	Chief Financial Officer w.e.f.07.12.2023
8	Mr. Anil Agrawal	Company Secretary Ceased w.e.f. 07.12.2023 and appointed w.e.f 01.04.2024
9	Mr. Manish Mistry	Company Secretary w.e.f. 08.12.2023 and Ceased w.e.f. 31.03.2024
10	Mr. Ravi Sanghi	Chairman and Managing Director Ceased w.e.f. 07.12.2023
11	Mr. Aditya Sanghi	Whole Time Director Ceased w.e.f. 07.12.2023
12	Mr. Alok Sanghi	Whole Time Director Ceased w.e.f. 07.12.2023
13	Mrs. Bina Engineer	Whole Time Director and Chief Financial Officer Ceased w.e.f. 07.12.2023
14	Mr. N. B. Gohil	Whole Time Director Ceased w.e.f. 07.12.2023
15	Mr. S. Balasubramarian	Non Executive Independent Director Ceased w.e.f. 07.12.2023
16	Ms. Raina Desai	Non Executive Independent Director Ceased w.e.f. 07.12.2023
17	Mr. Arvind Agarwal	Non Executive Independent Director Ceased w.e.f. 07.12.2023
18	Mr. G M Yadwadkar	Non Executive Independent Director Ceased w.e.f. 07.12.2023

(E) Details of Transactions with Holding Company

₹ in Crore

	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
1	**Purchase of Goods**	**0.62**	**0.75**
	Ambuja Cements Limited	0.62	0.75
2	**Sale of Goods**	**602.45**	**196.63**
	Ambuja Cements Limited	602.45	196.63
3	**Receiving of services**	**11.34**	**1.81**
	Ambuja Cements Limited	11.34	1.81
4	**Ship subletting income**	**7.46**	**-**
	Ambuja Cements Limited	7.46	-
5	**Loan Received**	**450.00**	**-**
	Ambuja Cements Limited	450.00	-
6	**Interest Expenses on loan**	**74.34**	**53.31**
	Ambuja Cements Limited	74.34	53.31

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7	**Loan & Interest Repayment**	**2,370.04**	**-**
	Ambuja Cements Limited	2,370.04	-
8	**8% Non-Convertible Redeemable Preference shares (Borrowing)**	**2,200.00**	**-**
	Ambuja Cements Limited	2,200.00	-
9	**Dividend accrued on 8% Non-Convertible Redeemable Preference shares**	**128.91**	**-**
	Ambuja Cements Limited	128.91	-
10	**Reimbursement of expenses received/receivable**	**0.00**	**-**
	Ambuja Cements Limited	0.00	-

Outstanding balances with Holding Company

₹ in Crore

	Particulars	As at March 31, 2025	As at March 31, 2024
1	**Accounts Receivables (Inclusive of Capital advance and advance for supply of goods and services)**	**-**	**32.40**
	Ambuja Cements Limited	-	32.40
2	**Accounts Payables (Inclusive of Provisions, Trade Payable, Capital Creditors and Advance from Customers)**	**7.18**	**34.70**
	Ambuja Cements Limited	7.18	34.70
3	**Loan**	**291.81**	**2,081.30**
	Ambuja Cements Limited	291.81	2,081.30
4	**Accrued Interest on loan**	**-**	**63.64**
	Ambuja Cements Limited	-	63.64
5	**8% Non-Convertible Redeemable Preference shares (Borrowing)**	**2,200.00**	**-**
	Ambuja Cements Limited	2,200.00	-
6	**Dividend accrued on 8% Non-Convertible Redeemable Preference shares**	**128.91**	**-**
	Ambuja Cements Limited	128.91	-

(F) Details of Transactions with other related parties

₹ in Crore

	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
1	**Purchase of Goods**	**455.86**	**157.00**
	Adani Enterprises Limited*	441.26	99.20
	Adani Global PTE Limited	9.82	57.76
	Adani Power Limited	0.15	0.04
	ACC Limited	0.71	-
	Adani Kandla Bulk Terminal Private Limited	2.86	-
	Adani Ports and Special Economic Zone Limited	1.06	

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₹ in Crore

	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
2	**Purchase of Power**	**0.32**	**-**
	Adani Enterprises Limited	0.32	-
3	**Sale of goods**	**360.37**	**136.46**
	ACC Limited	268.73	117.68
	Adani Cement Industries Limited	68.47	18.78
	Mundra Petrochem Limited	23.17	-
4	**Receiving of services**	**84.68**	**53.33**
	ACC Limited	2.59	0.25
	Adani Enterprises Limited	6.82	-
	Adani Ports and Special Economic Zone Limited	59.87	53.00
	Adani Kandla Bulk Terminal Private Limited	-	-
	Gujarat Adani Institute Of Medical Science	0.23	-
	Adani Logistics Limited	15.17	-
	Mr. Ravi Sanghi (As a promoter)	-	0.08
5	**Rendering of services**	**0.01**	**-**
	ACC Limited	0.01	-
6	**Reimbursement of Expenses Paid / Payable**	**0.17**	**-**
	Belvedere Golf and Country Club Private Limited	0.00	-
	Adani Airport Holdings Limited	0.00	-
	Adani Infrastructure And Developers Private Limited	0.05	-
	Adani Estate Management Private Limited	0.00	-
	Adani Enterprises Limited	0.08	-
	ACC Limited	0.04	-
7	**Sale of property, plant and equipment**	**-**	**10.80**
	Samruddhi Investors Services Private Limited	-	10.80
8	**Loans Received**	**-**	**51.65**
	Loan from Mr. Alok Sanghi	-	6.00
	Loan from Mr. Ravi Sanghi	-	35.65
	Loan from Mr. Aditya Sanghi	-	10.00
9	**Repayment of Loans**	**-**	**59.16**
	Mr. Alok Sanghi	-	11.00
	Mr. Ravi Sanghi	-	35.65
	Mr. Aditya Sanghi	-	10.00
	Sanghi Energy Limited	-	2.51
10	**Interest on Loan Paid**	**-**	**0.12**
	Sanghi Energy Limited	-	0.12
11	**Advances Received Back**	**6.80**	**-**
	Adani Enterprises Limited*	6.80	-

*Purchases are made against advances with underlying commercial benefits as per the terms of agreement. During the year, the Company has given advances for purchase of goods and received back unadjusted advances along with interest as per the terms of agreements.

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Outstanding balances with other related parties

₹ in Crore

	Particulars	As at March 31, 2025	As at March 31, 2024
1	**Accounts Receivables (Inclusive of Capital advance and advance for supply of goods and services)**	**57.93**	**6.74**
	ACC Limited	4.43	6.74
	Adani Cement Industries Limited	38.25	-
	Mundra Petrochem Limited	15.25	-
2	**Accounts Payables (Inclusive of Provisions, Trade Payable, Capital Creditors and Advance from Customers)**	**55.25**	**6.94**
	ACC Limited	0.84	-
	Adani Enterprises Limited	0.41	1.00
	Adani Ports And Sez Limited	50.77	0.00
	Adani Power Limited	-	0.01
	Adani Renewable Energy (KA) Limited	-	0.01
	Adani Total Gas Limited	0.00	-
	Adani Logistics Limited	3.05	-
	Belvedere Golf and Country Club Private Limited.	0.00	-
	Penna Cement Industries Limited	0.00	-
	Adani Airport Holdings Limited	0.01	-
	Adani Infrastructure and Developers Private Limited	0.05	-
	Navi Mumbai International Airport Private Limited	0.01	-
	Penna Cement Industries Limited	0.00	-
	Adani Hazira Port Limited	0.00	-
	Adani Krishnapatnam Port Limited	0.00	-
	Adani Road Transport Limited	0.01	-
	Adani Green Energy Limited	0.00	-
	Gare Palma II Collieries Private Limited	0.00	-
	Adani Digital Labs Private Limited	0.00	-
	Lucknow International Airport Limited	0.00	-
	Guwahati International Airport Limited	0.00	-
	Mangaluru International Airport Limited	0.00	-
	Jaipur International Airport Limited	0.00	-
	Mumbai International Airport Limited	0.01	-
	Adaniconnex Private Limited	0.00	-
	Agnel Developers LLP	0.00	-
	Portsmouth Buildcon Private Limited	0.00	-
	Adani Infra (India) Limited	0.05	-
	The Dhamra Port Company Limited	0.00	-
	TRV Kerala International Airport Limited	0.00	-
	Kutch Copper Limited	0.01	-
	Samruddhi Investors Services Private Limited (As part of promoter group)	-	5.90
	Amount payable to Mr. Ravi Sanghi (As promoter)	-	0.02

Notes to financial statements

as at and for the year ended on March 31, 2025

(G) Details of Transactions with Key Management Personnel

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Remuneration (including Managerial Commission)	**-**	**13.28**
Mr. Ravi Sanghi	-	5.04
Mr. Aditya Sanghi	-	2.21
Mr. Alok Sanghi	-	2.21
Mrs. Bina Engineer	-	2.64
Mr. N. B. Gohil	-	0.83
Mr. Anil Agrawal (Refer Note (d) below)	-	0.35

(H) Other Payment to Key Management Personnel

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Sitting fees	**0.48**	**0.19**
Mr. Arvind Agarwal	-	0.03
Mr. G M Yadwadkar	-	0.03
Ms. Raina Desai	-	0.02
Mr. S. Balasubramanian	-	0.03
Mr. Sudhir Nanavati	0.12	0.04
Mr. Ravi Kapoor	0.18	0.02
Mrs. Shruti Anup Shah	0.18	0.02

Note:

a) Transactions with related parties are disclosed exclusive of applicable taxes

b) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions and normal credit terms. The company has not recorded any loss allowance for trade receivable from related parties. Outstanding balances at the end of the year are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

c) Remuneration does not include provision towards Gratuity and Leave Encashment which is provided based on actuarial valuation on an overall company basis.

d) The Company reimburses salary cost to Holding Company and ACC Limited for employees deployed including key managerial personnel for performing operational, financial and other functions.

e) ₹ 0.00 represents the amount less than ₹ 50,000/- in the above tables.

Note 43. Employee Benefits

The Company operates post employment and other long term employee benefits defined plans as follows:

a) Defined contribution plans

Amount recognised and included in Note 30 Contribution to Provident and Other Funds (including contribution to provident fund trust) of the Statement of Profit and Loss ₹ 1.71 crore (March 31, 2024 - ₹ 0.82 crore).

Notes to financial statements

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b) Defined benefit plans

The defined benefit plan (the Gratuity plan) covers eligible employees and provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The defined benefit gratuity plan (unfunded) is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, salary risk and longevity risk.

i) **Interest risk:** A decrease in the bond interest rate will increase the plan liability.

ii) **Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

iii) **Longevity risk:** 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 after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

c) Summary of the components of net benefit / expense recognized in the Statement of Profit and Loss, the Non funded status and amounts recognized in the Balance Sheet for the respective defined benefits plans is as under:

₹ in Crore

	Particulars	Gratuity	
		2024-25	**2023-24**
I	**Expense recognized in the Statement of Profit and Loss**		
1	Current service cost	0.50	0.55
2	Interest cost	0.40	0.52
3	Past Service Cost	-	7.33
	Amount recognized in the Statement of Profit and Loss	**0.90**	**8.40**
II	**Re-measurements recognized in other comprehensive Income (OCI)**		
1	Demographic change	(0.06)	-
2	Change in financial assumptions	0.09	1.32
3	Experience changes	(0.02)	(1.77)
4	Return on plan assets (excluding interest income)	-	-
	Amount recognized in OCI	**0.01**	**(0.45)**

Notes to financial statements
as at and for the year ended on March 31, 2025

₹ in Crore

	Particulars	Gratuity	
		2024-25	2023-24
III	**Change in defined benefit obligation during the year**		
1	Present value of defined benefit obligation at the beginning of the year	5.49	6.95
2	Current service cost	0.50	0.55
3	Interest cost	0.40	0.52
4	Past Service cost	-	7.33
5	Actuarial (gains) / losses recognized in other comprehensive income		
	- Change in demographic assumptions	(0.06)	-
	- Change in financial assumptions	0.09	1.32
	- Experience changes	(0.02)	(1.77)
6	Benefit payments	(1.03)	(9.41)
7	Transfer in / (out)	(0.10)	-
	Present value of defined benefit obligation at the end of the year	**5.27**	**5.49**
IV	**Weighted average duration of defined benefit obligation**	**4 years**	**7 years**
V	**Sensitivity analysis for significant assumptions**		
	Discount rate		
	Discount rate 1% increase	5.04	5.14
	Discount rate 1% decrease	5.51	5.90
	Salary rate		
	Salary rate 1% increase	5.51	5.90
	Salary rate 1% decrease	5.04	5.13
	Attrition rate		
	Attrition rate 50% increase	5.21	5.46
	Attrition rate 50% decrease	5.32	5.53
	Mortality rate		
	Mortality rate 10% increase	5.26	5.49
	Mortality rate 10% decrease	5.26	5.49

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the Balance Sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Notes to financial statements

as at and for the year ended on March 31, 2025

VI Expected cash flows (on undiscounted basis)

₹ in Crore

	Particulars	Gratuity	
		As at March 31, 2025	As at March 31, 2024
1	**Expected benefit payments**		
	Year 1	1.26	0.98
	Year 2	0.62	0.81
	Year 3	0.96	0.89
	Year 4	0.88	0.93
	Year 5	0.72	1.05
	6 to 10 years	1.63	3.24
	More than 10 years	1.47	4.31
	Total Expected benefit payments	**7.54**	**12.21**

Amount of provision for gratuity is as below:

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Non current liabilities	4.01	4.75
Current liabilities	1.26	0.74
Total	**5.27**	**5.49**

Actuarial assumptions

₹ in Crore

	Particulars	As at March 31, 2025	As at March 31, 2024
1)	**Financial assumptions**		
	Discount rate (Refer Note (ii) below)	6.90%	7.20%
	Salary escalation (Refer Note (iii) below)	7.00%	7.00%
2)	**Demographic assumptions**		
	Expected remaining working life (Years)	6.93	10.35
	Disability rate	5% of mortality rates	5% of mortality rates
	Retirement age	58 Years	58 Years
	Mortality retirement	100% of IALM 2012-14	100% of IALM 2012-14
	Attrition / Withdrawal rate (per annum)	10.00%	5.00%

Notes:

i) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no changes in market conditions at the reporting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Notes to financial statements
as at and for the year ended on March 31, 2025

ii) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

iii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

d) Amount recognised as expense in respect of compensated absences is ₹ 0.82 crore (March 31, 2024 - ₹ 5.40 crore)

₹ in Crore

Particulars		As at March 31, 2025	As at March 31, 2024
1)	**Financial assumptions**		
	Discount rate	6.90%	7.20%
	Salary escalation	7.00%	7.00%
2)	**Demographic assumptions**		
	Expected remaining working life (Years)	6.93	10.35

Amount of provision for compensated absences is as below:

₹ in Crore

	As at March 31, 2025	As at March 31, 2024
Non current liabilities	-	1.46
Current liabilities	1.86	0.27
Total	**1.86**	**1.73**

Note 44. Lease

Disclosure as per Ind AS 116 :

a) Company as Lessee

The Company has elected exemption available under Ind AS 116 for short term leases and leases of low value. The lease payments associated are recognized as expense on a straight line basis over the lease term.

The Company's lease asset classes primarily consist of leases for Plant and equipment and Ships.

The weighted average incremental borrowing rate for lease liabilities are at 9.50% (March 31, 2024: 10.50%).

b) The movement in lease liabilities is as follows:

₹ in Crore

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2.32	17.58
Additions during the year	42.05	-
Finance cost accrued during the year	3.04	0.74
Payment of lease liabilities (including interest)	(26.27)	(2.17)
Termination of lease contracts	-	(13.83)
Closing balance	**21.14**	**2.32**
Current lease liabilities	21.14	1.26
Non Current lease liabilities	-	1.06
Total	**21.14**	**2.32**

Notes to financial statements

as at and for the year ended on March 31, 2025

c) Lease expenses recognised in Statement of Profit and Loss:

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Expense relating to short-term leases and low-value assets (Refer Note 34)	13.39	1.79
Depreciation on Right of use asset (Refer Note 32)	24.27	1.78
Interest expense on lease liabilities (Refer Note 31)	3.04	0.74
Total	**40.70**	**4.31**

d) The following are the amounts disclosed in the cash flow statement:

₹ in Crore

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Cash Outflow from leases	23.23	1.43

e) The maturity analysis of undiscounted lease liabilties are disclosed in note 37 (C) - Liquidity risk

Note 45.

The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when the final rules/interpretation comes into effect and will record any related impact.

Note 46. Exceptional Items

Details of exceptional items are provided as an under

₹ in Crore

Particulars	Notes	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Exceptional Income			
Gain on disposal of non core assets	(i)	-	224.10
Exceptional Expenses			
Provision for pending litigation and disputed matters (Refer Note 39) - Electricity duty and other litigations	(ii)	(121.20)	(104.49)
Prepayment charges of Loan	(iii)	-	(88.42)
Interest on custom duty dues	(iv)	-	(13.72)
Net exceptional (expenses) / income		**(121.20)**	**17.47**

Notes:

i) During the previous year, the Company has sold certain non-core immoveable properties. Profit on disposal of certain non-core immoveable properties amounting to ₹ 224.10 crore for the year ended March 31, 2024 has been disclosed as exceptional items.

ii) Includes provision of ₹ 119.81 crore and ₹ 62.72 crore (including interest) on electricity duty litigation for the year ended March 31, 2025 and March 31, 2024, respectively.

iii) During the previous year, the Company has paid one- time charges to lenders for prepayment of loans amounting to ₹ 88.42 crore which has been disclosed as exceptional items.

iv) During the previous year, the Company had paid Interest on Custom Duty dues amounting to ₹ 13.72 crore which has been disclosed as exceptional items.

Notes to financial statements

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Note 47. Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, Government of India, the Company in absence of profits is not required to spend, in every financial year, at least two per cent of the average net profits made during the three immediately preceding financial years in accordance with its CSR Policy. Accordingly, the provision of section 135(5) of the Companies Act, 2013 are also not applicable to the Company.

Note 48. Additional disclosures as required under Schedule III of the Companies Act 2013.

1) Title deeds of all immovable properties including right to use assets are held in name of the Company as at March 31, 2025.

2) The company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

3) The Company has not revalued any of its Property, Plant & Equipment including Right of use assets in the current year and previous year.

4) The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

5) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act,1988.

6) Company is not having any transaction with the Companies struck off under the Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956 except as below

₹ in Crore

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the year ended March 31, 2025	Balance outstanding as on March 31, 2025	Transaction during the year ended March 31, 2024	Balance outstanding as on March 31, 2024	Relationship with the Struck off company
Sarvodaya Shares and Stocks Broking Private Limited	NA	NA	NA	NA	NA	Shareholder
Ravisha Infraprojects Private limited	Sale of goods and services	-	-	0.01	-	Customer
S Raheja Realty Private limited	Sale of goods and services	-	-	0.01	-	Customer
Welspun India limited	Sale of goods and services	-	-	0.04	-	Customer
J S Techmarine Solutions Private limited	Sale of goods and services	-	0.04	-	-	Customer

Notes to financial statements

as at and for the year ended on March 31, 2025

7) There are no charges or satisfaction which are to be registered with Registrar of Companies (ROC) beyond statutory period.

8) The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

9) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act, 2013.

10) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

11) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

12) The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961

13) The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

14) **Scheme of Arrangement:**

   The Board of Directors of the Company at its meeting held on December 17, 2024, has approved the Scheme of Arrangement between the Company ("Transferor Company"), Ambuja Cements Limited ("Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") w.e.f. appointed date April 1, 2024.

   Upon the Scheme becoming effective, the equity shareholders of the Transferor Company (Other than Transferee Company) will be issued and allotted 12 equity shares of the face value of ₹ 2 each fully paid of Transferee Company, for every 100 equity shares of the face value of ₹ 10 each fully paid held by shareholders in Transferor Company.

   The proposed Scheme is subject to necessary statutory and regulatory approvals under the applicable laws, including approval of the jurisdictional Hon'ble National Company Law Tribunal ("NCLT").

   The Transferee Company has filed proposed schemes with the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE). As on the date of adoption of these financial statements by the Board, the Transferee Company is awaiting No Objection Certificate from Securities and Exchange Board of India (SEBI).

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 49. Going Concern

The Company has incurred a loss of ₹ 498.38 crore and ₹ 448.34 crore for the year ended March 31, 2025 and March 31, 2024 respectively. Further, the company has incurred cash losses of ₹ 278.61 crore and ₹ 327.54 crore for the year ended March 31, 2025 and March 31, 2024 respectively. As on March 31, 2025, Company's current liabilities exceeds its current assets by ₹ 10.80 crore. The Company has earned EBITDA (excluding exceptional items) of ₹ 66.98 crore for the year ended March 31, 2025 which has significantly improved as compared to ₹ (81.39) crore for the year ended March 31, 2024. The financial and operational condition of the Company has improved significantly post-acquisition by Ambuja Cements Limited and considering the cash flow projection of the Company, the financial statements have been prepared on a going concern basis.

Note 50. Financial Ratios

₹ in Crore

Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance	Reason for Variance
Current ratio (in times)	Current Assets	Current Liabilities	0.98	0.94	4.26%	Not applicable
Debt-equity ratio (In times)	Total Debts (Including lease liabilities)	Shareholder's Equity	4.09	1.88	117.55%	Increase in Debt is mainly on account of Issue of Preference shares to Holding Company.
Debt service coverage ratio (In times)	Profit / (loss) After Tax + Finance costs + Depreciation + Loss/(Gain) on Sale of property, plant and equipment	Finance Costs + lease payments + Scheduled principal repayments of long term borrowings and leases	(0.02)	(0.02)	0.00%	Not applicable
Return on investment ratio (in %)	Interest Income + Gain on sale / fair valuation of financial assets	Average Investment + Fixed deposit	11.12%	5.12%	117.22%	Increase due to return on investment in mutual funds.
Return on equity ratio (in %)	Profit / (loss) after tax (excluding other comprehensive income)	Average total equity	(57.84%)	(33.62%)	72.04%	Increase in variance is mainly on account of decrease in average equity due to loss for the year including exceptional items.

Notes to financial statements

as at and for the year ended on March 31, 2025

₹ in Crore

Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance	Reason for Variance
Inventory turnover ratio (In times)	Cost of good sold (Refer Note - (b) below)	Average Inventory	3.06	2.77	10.47%	Not applicable
Trade receivables turnover ratio (in times)	Sale of manufactured products	Average trade receivables	33.23	31.72	4.76%	Not applicable
Trade payables turnover ratio (in times)	Cost of sales (Refer Note - (a) below)	Average trade payables	11.19	4.57	144.86%	Increase in variance is mainly on account of decrease in average trade Payables.
Net capital turnover ratio (in times)	Sale of manufactured products	Working Capital (Refer Note - (c) below)	(89.16)	(38.48)	131.70%	Decrease in ratio is mainly on account of increase in working capital due to increase in advance to suppliers, inventories and trade receivables.
Net profit ratio (in %)	Profit / (loss) after tax (excluding other comprehensive income)	Sale of manufactured products	(51.77%)	(54.72%)	(5.39%)	Not applicable
Return on capital employed (in %)	Profit / (loss) before tax (excluding other comprehensive income)+ Finance cost	Tangible networth+Total debt+ deferred tax liability	(7.50%)	(5.23%)	43.40%	Decrease in return mainly due to losses and increase in borrowings during the year

Notes:

a) Cost of sales = Total expenses minus Depreciation minus finance cost

b) Cost of goods sold = Cost of material consumed, Purchase of stock in trade, Power and fuel, Changes in inventories of finished goods, work-in-progress and stock-in-trade, consumption of stores and spares and consumption of packing material

c) Working Capital = Current Assets minus Current Liabilities

Notes to financial statements

as at and for the year ended on March 31, 2025

Note 51.

Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's classification. Below are the regrouping and rearrangements of assets and liabilities based on requirements of Schedule III and review of commonly prevailing practices:

i) The Company has Investment in bank deposits amounting to ₹ 18.44 crore. These Investment were previously disclosed as "Bank balances other than cash and cash equivalents", however, based on review of commonly prevailing practices, the management considers it is to be more relevant to disclose the same under "Other non-current financial assets" of ₹ 2.24 crore and "Current financial assets" of ₹ 16.20 crore.

ii) The Company has liabilities amounting to ₹ 181.58 crore previously disclosed as "Current provisions", however based on review of commonly prevailing practices, the management considers it is to be more relevant to disclose the same under "Other current liabilities" of ₹ 167.74 crore and "Trade payables" of ₹ 13.84 crore.

iii) The Company has deposit paid under protest amounting to ₹ 46.02 crore previously disclosed as "Other current assets", however the management considers it is to be more relevant to disclose the same under "Other non-current assets".

iv) The Company has payables to employees which were presented under "Trade Payables". However, for better presentation and disclosure in terms of requirement of Ind AS 1 'Presentation of Financial Statements' and Division II - Ind AS of Schedule III to the Companies Act, 2013, such employee payables have been presented under head other financial liabilities (Current) under nomenclature of "Payables to employees".

Considering this, such payables to employees as at March 31, 2024 amounting to ₹ 0.28 crore has been presented from the trade payables to the other financial liabilities. Due to such better presentation, there is neither any impact on net profits for the current financial year and previous year nor the financial position as at the current and previous year presented in the financial statements.

Note 52. Audit Trail

The Company uses an 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 accounting software except the audit trail feature is enabled, for certain direct changes to SAP application and its underlying HANA database when using certain privileged / administrative access rights where the process is started during the year, stabilized and enabled from March 25, 2025.

Further, there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

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

Notes to financial statements
as at and for the year ended on March 31, 2025

Note 53.
₹ 0.00 in the financial statement represents the amount less than ₹ 50,000/-

Note 54. Events occuring after the Balance Sheet Date
The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As on April 28, 2025. there are no material subsequent events to be recognized or reported.

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

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per **Abhishek Karia**
Partner
Membership No. 132122

Place: Ahmedabad
Date: April 28, 2025

For and on behalf of the Board of Directors of
Sanghi Industries Limited

Ajay Kapur
Chairman
DIN: 03096416

Sukuru Ramarao
Whole-time Director
and Chief Executive Officer
DIN: 08846591

Sanjay Khajanchi
Chief Financial Officer

Anil Agrawal
Company Secretary
Membership No: A-14063

Place: Ahmedabad
Date: April 28, 2025